

SCHEDULE 2
DESIGN AND CONSTRUCTION PROTOCOLS
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SCHEDULE 2

DESIGN AND CONSTRUCTION PROTOCOLS

1. INTERPRETATION

1.1 Definitions

In this Schedule, in addition to the definitions set out in Schedule 1 of this Agreement:

“**CaGBC**” means the Canada Green Building Council;

“**Certificate of Service Commencement**” has the meaning set out in Section 13.3(a) of this Schedule;

“**City**” means the City of Kamloops;

“**Commissioning Plan**” has the meaning set out in Section 12.3 of this Schedule;

“**Construction Period Joint Committee**” has the meaning set out in Section 2.6 of this Schedule;

“**Deficiency**” means a Service Commencement Deficiency;

“**Deficiency Deadline**” has the meaning set out in Section 13.4 of this Schedule;

“**Demolition Plan**” has the meaning set out in Section 6.10 of this Schedule;

“**Design and Construction Representative**” has the meaning set out in Section 2.1 of this Schedule;

“**Facility Move-in Schedule**” has the meaning set out in Section 10.5 of this Schedule;

“**Facility Threat and Risk Assessment**” has the meaning set out in Section 4.9 of this Schedule;

“**GBC**” means the CaGBC;

“**Geotechnical Reports**” means:

- (a) GeoPacific Consultants Ltd. “Geotechnical Investigation Report – Proposed Royal Inland Hospital Patient Care Tower 311 Columbia Street, Kamloops, BC.” dated Dec. 23, 2015; and
- (b) GeoPacific Consultants Ltd. “Geotechnical Investigation Report – Proposed Westland Parkade, The Westland Parking Lot, Kamloops, BC.” Dated August 2, 2017;

“**Hazardous Substance Reports**” means the Asbestos Containing Building Material Inventory and Assessment Report prepared by Peak Environmental Ltd. and dated April 20, 2015; Asbestos Containing Building Material Inventory and Assessment Report Royal Inland Hospital and Royal Inland Alumnae Building prepared by Peak Environmental Ltd. and dated April 20, 2015; Hazardous and Regulated Materials Limited Scope Pre-Renovation Assessment Report Royal Inland Hospital prepared by Peak Environmental Ltd. and dated February 8, 2018; and Suspect Asbestos Bulk Sample Results for Pipe Insulation Located at Royal Inland Hospital, Kamloops, BC prepared by ABI Hazmat Corp. for Delnor Construction and dated October 18, 2013;

“**Hospital**” means RIH;

“**IMIT**” means information management and information technology;

“**Independent Certifier**” has the meaning set out in Section 3.1 of this Schedule;

“Intended Uses” means the uses for the New Facility as described in the Design and Construction Specifications;

“LEED Gold Certification” means the award of a LEED Gold certificate from the CaGBC under the LEED Rating System;

“LEED Rating System” means CaGBC’s Leadership in Energy & Environmental Design (LEED) Green Building Rating System for New Construction & Major Renovations LEED Canada NC 2009;

“Move Plan” has the meaning set out in Section 12.4 of this Schedule;

“Phasing Plan” has the meaning set out in Section 6.9(a) of this Schedule;

“Post-Service Commencement Construction” has the meaning set out in Section 4.10 of this Schedule;

“Project Co’s Quality Consultant” has the meaning set out in Section 8.3 of this Schedule;

“Project Schedule” has the meaning set out in Section 10.1 of this Schedule;

“Proposal Extracts (Design and Construction)” means the provisions of Appendix 2G [Proposal Extracts (Design and Construction)];

“Quality Assurance Plan” has the meaning set out in Section 8.5 of this Schedule;

“Quality Assurance Program” has the meaning set out in Section 8.4 of this Schedule;

“Quality System” means an organizational structure, procedures, processes and resources necessary to implement a comprehensive, planned and systematic program, designed and implemented by Project Co pursuant to this Agreement, to ensure that the standards of quality control, quality management and quality assurance required by this Agreement are achieved by Project Co in every material aspect of the Design and Construction;

“Reviewed Drawings and Specifications” has the meaning set out in Section 6(a) of Appendix 2C [Review Procedure];

“RIH” means the Royal Inland Hospital;

“RIH Campus” means all of the lands upon which RIH is located;

“Service Commencement Deficiency” has the meaning set out in Section 13.1;

“Site” means the areas identified as a Work Area on Appendix 2H [Site Plan] or Appendix 2I [Renovation Work Area Diagram] and such other areas that Project Co may be permitted to access for purposes of Construction in accordance with a Work Plan pursuant to Section 6.11 of this Schedule;

“Submittal” has the meaning set out in Section 1 of Appendix 2C [Review Procedure].

“Submittal Schedule” has the meaning set out in Section 2(a) of Appendix 2C [Review Procedure];

“Sustainability Work” has the meaning set out in Section 4.11 of this Schedule;

“Updated Project Schedule” has the meaning set out in Section 10.2 of this Schedule;

“User Consultation Group” has the meaning set out in Section 5.3(a) of this Schedule; and

“Work Plan” has the meaning set out in Section 6.11 of this Schedule.

2. PARTIES' DESIGN AND CONSTRUCTION REPRESENTATIVES

2.1 Appointment of Representatives

Project Co will within 5 Business Days of the Effective Date designate in writing an individual (the "**Design and Construction Representative**") to be Project Co's single point of contact with respect to the Design and the Construction. Project Co's Design and Construction Representative will be a Key Individual. Project Co's Design and Construction Representative may also be Project Co's Operating Period Representative.

The Authority will within 5 Business Days of the Effective Date designate in writing an individual (the "**Design and Construction Representative**") to be the Authority's single point of contact with respect to the Design and the Construction. The Authority may from time to time designate a second Design and Construction Representative.

Except as otherwise set out in this Agreement, all costs or expenses incurred by or with respect to a party's Design and Construction Representative will be for the account of that party.

2.2 Replacement

Subject to Section 2.8 of this Agreement in respect of Key Individuals, a party may at any time and in its own discretion by notice to the other party change the individual appointed as the party's Design and Construction Representative.

2.3 Authority of Representatives

Subject to limits of signing authority pursuant to Section 2.7 of this Agreement, a party's Design and Construction Representative will have full authority to act on behalf of and bind the party with respect to Design and Construction under this Agreement, including giving any review, acceptance, approval or confirmations which may be given by the Authority. Notwithstanding the above, a party's Design and Construction Representative will not have the authority to execute or agree to any amendments or to give any waivers of this Agreement.

2.4 Review Procedure

The parties will comply with Appendix 2C [Review Procedure].

2.5 Authority Not Responsible for Design or Construction

The Authority's review, acceptance, approval or confirmation of compliance with respect to any aspect of the Design or the Construction, including pursuant to Appendix 2C [Review Procedure], will be for the Authority's benefit only, and no review, acceptance, approval or confirmation of compliance by the Authority's Design and Construction Representative or other representative of the Authority will in any way relieve Project Co of its obligation for all aspects of the Design and Construction of the New Facility except as may be expressly set out in this Agreement.

2.6 Construction Period Joint Committee

- (a) Not less than 20 Business Days after the Effective Date, the Authority and Project Co will establish, and will maintain until Service Commencement is achieved, a joint liaison committee (the "**Construction Period Joint Committee**") consisting of the Design and Construction Representatives and such other members as the parties may agree from time to time.
- (b) The purpose of the Construction Period Joint Committee is to provide a formal forum for the parties to consult and cooperate in all matters relating to the Facility during the Construction Period and any member appointed to the Construction Period Joint Committee will not have any duties or obligations arising out of such appointment

independent of such member's duties or obligations to the party making such appointment.

- (c) The Construction Period Joint Committee:
- (1) will only have the authority as expressly delegated to it by the Authority and Project Co, and both parties will give reasonable consideration to delegating appropriate authority to permit efficient decision making with respect to the Facility;
 - (2) may strike, establish terms of reference for, delegate authority and appoint members having the necessary experience and qualifications to, such sub-committees as the Construction Period Joint Committee may determine are necessary from time to time and all such sub-committees will report to the Construction Period Joint Committee;
 - (3) will establish protocols and procedures for undertaking the tasks and responsibilities delegated to it, including a co-operative and consultative process to review all documentation submitted to it in relation to the Design and Construction;
 - (4) may make recommendations to the parties on all matters relating to the Facility, which the parties may accept or reject in their complete discretion; and
 - (5) will have no authority to agree to any amendments or to give any waivers of this Agreement.
- (d) Subject to the provisions of this Agreement, the members of the Construction Period Joint Committee may adopt such procedures and practices for the conduct of the activities of the Construction Period Joint Committee as they consider appropriate from time to time and:
- (1) may invite to any meeting of the Construction Period Joint Committee such other (non-voting) Persons as a member may decide; and
 - (2) receive and review a report from any Person agreed by the members of the Construction Period Joint Committee.
- (e) The Construction Period Joint Committee will meet at least once each month at a location provided by Project Co at or near the Site (unless otherwise agreed by its members) and from time to time as necessary. If any member of the Construction Period Joint Committee requests an additional meeting, the parties will act reasonably in accommodating this request. Meetings of the Construction Period Joint Committee will be convened on not less than 10 Business Days' notice (which will also identify the agenda items to be discussed at the meeting) provided that in an emergency a meeting may be called at any time on such notice as may be reasonable in the circumstances. The Construction Period Joint Committee will be chaired by a representative of the Authority unless the Authority requires that a representative of Project Co chair the Construction Period Joint Committee.
- (f) Project Co will keep minutes of all recommendations and meetings of the Construction Period Joint Committee in accordance with Schedule 14 [Records and Reports] and circulate such minutes to the parties promptly within five Business Days of the making of the recommendation or the holding of the meeting.

2.7 Key Individuals Involvement

The Key Individuals for the applicable period or term (as set out in Schedule 17) will attend the relevant Construction Period meetings with the Authority. The Authority may postpone any meetings if the Key Individuals are not available to attend.

3. INDEPENDENT CERTIFIER

3.1 Appointment

The parties will cooperate to jointly appoint a Person (the “**Independent Certifier**”), who is:

- (a) qualified and experienced with respect to the design and construction of projects in British Columbia similar to the Project, and
- (b) independent from both the Authority and Project Co (and who will be impartial to the parties),

to provide certification services for the benefit of the parties during the Construction Period. The parties will enter into an agreement with the Independent Certifier on the terms generally as set out in Appendix 2A [Independent Certifier Agreement]. The parties confirm that Project Co may also appoint the Independent Certifier to provide certification services in respect of the Design-Build Agreement.

3.2 Appointment and Replacement

If within 20 Business Days of the Effective Date the Independent Certifier has not been appointed, or if for any reason during the Construction Period the Independent Certifier is unable or unwilling to continue to perform the Independent Certifier services or if the Independent Certifier's appointment has been terminated by the Authority and Project Co, then:

- (a) within 5 Business Days of the date that is 20 Business Days after the Effective Date (or within 5 Business Days of the date of termination of the Independent Certifier's appointment, if applicable), Project Co will provide the names of 3 candidates acceptable to Project Co for consideration by the Authority;
- (b) within 10 Business Days of receiving the candidate names, the Authority will notify Project Co of the candidates acceptable to the Authority, and the parties will cooperate to enter into a contract with an acceptable candidate generally in the form set out in Appendix 2A [Independent Certifier Agreement]; and
- (c) if none of the candidates are acceptable to the Authority, acting reasonably, or if for any reason an Independent Certifier is not appointed within 40 Business Days of the Effective Date (or within 20 Business Days of the date of termination of the Independent Certifier's appointment, if applicable), then either party may immediately apply to the British Columbia International Commercial Arbitration Centre for the selection of an Independent Certifier, providing the other party the opportunity to participate in the selection and appointment process.

3.3 Monthly Inspections and Report

The parties will require the Independent Certifier to:

- (a) consult with Project Co, the Authority, the Design-Builder, and others involved in the Design;
- (b) conduct monthly inspections of the Construction; and
- (c) raise any quality concerns and investigate those identified by Project Co and/or the Authority,

as the Independent Certifier determines is required for purposes of the Independent Certifier's functions under this Agreement and, no later than the 10th day of each month, prepare and deliver to the Authority and Project Co a monthly written report containing a description of:

- (d) the Design and Construction completed in the previous month; and
- (e) the progress of the Design and Construction relative to the Updated Project Schedule, with an overview analysis of variances and investigations of quality concerns.

3.4 Payment Certificates

The Independent Certifier will prepare and deliver to the Authority and Project Co a certificate certifying the Cost to Date all as described in Section 2 of Appendix 8B [Construction Period Payments] no later than the 10th day of each month. The Authority and Project Co specifically agree to the following with respect to the preparation and delivery of the payment certificates by the Independent Certifier:

- (a) the certificate certifying the Cost to Date will certify actual costs incurred by or on behalf of Project Co; and
- (b) except as required under Section 3.3 of this Schedule, the Independent Certifier will have no role in monitoring or inspecting, or in giving any directions or instructions, with respect to any aspect of the Design or the Construction.

The certificate of Cost to Date will not include costs for any design, construction or other work that does not comply with the Agreement and the Reviewed Drawings and Specifications, and such design, construction or other work does not form part of the Design and Construction for purposes of calculating the Cost to Date in Appendix 8B (Construction Period Payments) and may be taken into account in determining the payments under Appendix 8B and the determination of Service Commencement.

3.5 Application for Certificate of Service Commencement

The parties will require the Independent Certifier to perform the obligations of the Independent Certifier described in Section 13 of this Schedule.

3.6 Permitted Access

Project Co will give the Independent Certifier access to the Design and Construction work as the Independent Certifier reasonably requests in order to be fully informed as to the progress of the Design and Construction including:

- (a) access to drawings, specifications, schedules, records, and other documents or data relating to the Design and Construction, including such information that is being produced by or in the possession of the Design-Builder or others; and
- (b) access to the Site,

and Project Co will:

- (c) permit the Independent Certifier to attend all Design and Construction meetings during the Construction Period except to the extent Project Co and the Authority expressly otherwise agree; and
- (d) keep the Independent Certifier fully informed as to the progress of the Construction, including giving notice in accordance with Good Industry Practice of any part of the work on the New Facility before it becomes covered up and unavailable for inspection.

3.7 No Responsibility for Design or Construction

Nothing in this Agreement (including this Schedule) or in the parties' agreement with the Independent Certifier will be interpreted as giving the Independent Certifier any responsibility or authority for any aspect of the Design or the Construction, or as relieving Project Co of its responsibility for the Design and Construction as set out in this Agreement, and neither Project Co nor the Design-Builder nor any Sub-Contractor will be entitled to rely on any review, acceptance, approval or confirmation that the Independent Certifier may give with respect to Design or Construction.

4. PROJECT CO'S RESPONSIBILITIES

4.1 Design/Build Responsibility

Notwithstanding any other provision of this Agreement, Project Co will:

- (a) have complete responsibility for the Design and Construction of the New Facility;
- (b) perform and complete the Design and Construction:
 - (1) in accordance with all terms of this Agreement including the terms of this Schedule and the Design and Construction Specifications;
 - (2) so as to provide a new health care facility that at Service Commencement:
 - (A) is complete and operational and fit for the Intended Uses;
 - (B) will permit Project Co to provide the Services in accordance with the requirements of this Agreement; and
 - (C) is fully integrated with other existing buildings or structures at RIH and takes into account any planned building or structure, as described in the Design and Construction Specifications; and
 - (3) to reflect and capture the benefits to the Authority of the Proposal Extracts (Design and Construction).

Each of the obligations in Sections 4.1(b)(1), 4.1(b)(2) and 4.1(b)(3) of this Schedule are independent obligations, and the fact that Project Co has satisfied one obligation will be no defence to an allegation that it has failed to satisfy another.

4.2 Standard of Performance for Design and Construction

Without limiting the other requirements of this Agreement, Project Co will perform the Design and Construction to the standards as required by Section 2.1 of Schedule 3 [Design and Construction Specifications].

4.3 Defects in Design or Construction

Project Co will, without cost to the Authority, and without limiting Project Co's obligations to perform the Services as set out in this Agreement, including Schedule 4 [Services Protocols and Specifications], correct any Defect that becomes apparent at any time during the Term, subject to the terms of this Agreement, including any Scheduled Maintenance and the Handback Requirements.

4.4 Compliance with Laws

Project Co will undertake and perform the Design and Construction in accordance with applicable Laws, and so that all elements of the Design and the Construction, including all workmanship, construction equipment and materials, and the supply and installation of Equipment, meet or exceed the requirements of applicable Laws. If there is any conflict or ambiguity between the provisions of applicable Laws, or

between a provision of applicable Laws and the Design and Construction Specifications, or between provisions of the Design and Construction Specifications, then the provision of higher quality or higher standard will govern.

4.5 Permits for the Design and Construction

Except as expressly provided otherwise in this Agreement, Project Co will obtain all Permits required for the Design and Construction. Project Co will:

- (a) keep the Authority's Design and Construction Representative fully informed of the details of all discussions and negotiations with Governmental Authorities with respect to all Permits for which it is responsible;
- (b) upon request from the Authority's Design and Construction Representative, provide to the Authority copies of all documentation and correspondence with a Government Authority relating to such Permits; and
- (c) provide reasonable advance notice to the Authority of any meetings with the City or other Governmental Authorities (where practicable) and upon request by the Authority permit a representative of the Authority to attend any such meetings.

Project Co assumes all risk and costs arising in relation to Permits for which Project Co is responsible as described in this Section 4.5, including delays to the Project Schedule arising from delays in obtaining Permits or inability to obtain Permits, conditions of obtaining Permits, or amendments to Permits as may be required. The Authority will provide Project Co with such information within the Authority's possession, and co-operate with Project Co, as Project Co may reasonably require in relation to all Permits for which Project Co is responsible.

The parties agree that with respect to the Transport Canada Heliport Certificate (the "**Transport Canada Approval**"), Project Co does not have standing to make the application and obtain the Transport Canada Approval from the relevant Governmental Authority. Project Co will prepare the application for the Transport Canada Approval for execution and submission by the Authority to Transport Canada. Project Co will not be liable for the failure of Transport Canada to issue such approval, provided that Project Co has properly and fully prepared and completed the required application and has designed and constructed the heliport in accordance with Transport Canada requirements (as applicable as of the Financial Submission Date).

4.6 LEED Gold Certification

Project Co will, subject to Section 4.6(h) of this Schedule, obtain LEED Gold Certification for the New Facility in accordance with the following:

- (a) Project Co acknowledges that the Project is registered under the LEED Rating System.
- (b) Project Co will, subject to this Section 4.6, achieve all necessary prerequisites, credits and points under the LEED Rating System required to achieve the LEED Gold Certification and may in its discretion determine which of the credits and points to pursue and the Authority will provide reasonable cooperation to Project Co to assist Project Co in achieving the LEED Gold Certification.
- (c) Energy & Atmosphere: Credit EA6 - Green Power will not be an acceptable credit, unless obtained at Project Co's sole cost.
- (d) Subject to Section 4.6(a) of this Schedule, if at any time after the Effective Date the requirements to achieve LEED Gold Certification under the LEED Rating System change, and Project Co is required to comply with such change in order to achieve LEED Gold Certification for the New Facility, then Project Co will forthwith notify the Authority of such

change and such change will be a Change pursuant to Schedule 6 [Changes, Minor Works and Innovation Proposals].

- (e) Project Co will compile and submit the required documents for certification.
- (f) If for any reason Project Co fails to obtain LEED Gold Certification for the New Facility within 36 months of the Service Commencement Date then Project Co will, upon written demand from the Authority, immediately pay to the Authority \$150,000 for every point less than the number of points required to obtain LEED Gold Certification, to a maximum payment amount of \$750,000.
- (g) Upon payment of amounts, if any, owing under this Section 4.6 Project Co will have no further obligations or liabilities in respect of obtaining LEED Gold Certification, except to provide the Authority with such information and administrative assistance as the Authority may reasonably require in relation to obtaining LEED Gold Certification, and for greater certainty the failure to obtain LEED Gold Certification will not be a Project Co Event of Default.
- (h) The Authority acknowledges that Project Co's achievement of LEED Gold Certification for the New Facility is subject to the Authority agreeing to implement and maintain the following programs and policies in the New Facility after Service Commencement, which may be relevant to Project Co obtaining prerequisites, credits or points related to LEED Gold Certification of the New Facility:
 - (1) a policy prohibiting smoking at the Site and in the New Facility;
 - (2) a scent-free policy for Authority staff working in the New Facility;
 - (3) a recycling program in the New Facility generally for the following materials: paper, cardboard, glass, metal and plastic (if and to the extent recycling of such materials is available at Service Commencement); and
 - (4) an education program designed by the Authority to inform visitors to the New Facility of sustainable features of the New Facility.

The Authority makes no representation as to the relevance or sufficiency of the above Authority policies and programs to Project Co's obligation to obtain LEED Gold Certification for the New Facility.

4.7 LEED Project Checklist

As a condition of Service Commencement Project Co will deliver to the Authority:

- (a) a LEED project checklist, generally in accordance with CaGBC requirements, together with a written confirmation that, in Project Co's judgment LEED Gold Certification will be achieved for the New Facility as required by Section 4.6 of this Schedule; and
- (b) a written opinion from a LEED accredited professional that Project Co's confirmation under Section 4.7(a) above is reasonable.

4.8 Energy

Without limiting the Design and Construction Specifications, Project Co will comply with the requirements of Appendix 8C [Energy].

4.9 Facility Threat and Risk Assessment

Project Co will, by the date specified in the Submittal Schedule, deliver to the Authority a comprehensive threat and risk assessment report for the New Facility ("**Facility Threat and Risk Assessment**")

identifying specific risks and vulnerabilities to people, property and the Authority associated with the New Facility and the surrounding community, and describing how the Design will mitigate these risks and vulnerabilities, including with reference to post-disaster management and security. The Facility Threat and Risk Assessment will be based on the preliminary facility threat and risk assessment included in the Proposal Extracts (Design and Construction). The Authority may provide comments on the Facility Threat and Risk Assessment within 15 Business Days of receiving it. Project Co will, acting reasonably, take account of the Authority's comments in finalizing the Facility Threat and Risk Assessment and deliver to the Authority a copy of the final Facility Threat and Risk Assessment within 15 Business Days of receiving the Authority's comments. Project Co will implement the risk mitigation strategies described in the Facility Threat and Risk Assessment in developing the Design.

4.10 Post-Service Commencement Construction

Project Co will perform the following Construction after Service Commencement (the "Post-Service Commencement Construction"):

- (a) The Construction, described in Schedule 3, Section 5.9 Interim Post Anesthetic Recovery Room (PARR) including 5.9.1, 5.9.2, 5.9.3 and Appendix 3K – Interim PARR Room Data Sheet related to the conversion of the interim PARR spaces to Operating Rooms.

Project Co will commence the Post-Service Commencement Construction after the Authority's use of the interim PARR is complete. The Authority's use of the interim PARR will be complete when the Level 4 North PARR renovation is clinically operational and the renovated Level 4 North PARR is in operation by the Authority.

Project Co will complete the Post-Service Commencement Construction within 180 Days after the Authority's use of the interim PARR is complete. The completion of the Authority's use of the interim PARR will not exceed 30 Days after the Level 4 North PARR renovation is clinically operational. The Authority acknowledges that Project Co's commencement and completion of the Post-Service Commencement Construction is in reliance on the Authority making the Level 4 North PARR renovation clinically operational within 3 months after substantial completion of the Level 4 North PARR renovation.

4.11 Sustainability Work

Project Co will, prior to Service Commencement, perform and complete the Design and Construction set out in Appendix 2B - Sustainability Work (the "Sustainability Work").

5. DESIGN

5.1 Additional Design Considerations

In addition to other requirements of this Agreement, Project Co will undertake and perform the Design so that the Design:

- (a) is undertaken by a design team exercising such degree of care, skill and diligence as would reasonably be expected from consultants qualified to perform services similar in scope, nature and complexity to the Design, as of the date of this Agreement, and Project Co will appoint a design team that:
 - (1) is so qualified;
 - (2) includes (as required by applicable Law or Good Industry Practice) licensed or registered professional engineers and architects; and
 - (3) has sufficient expertise and experience to expeditiously and efficiently perform all of the Design in a proper and professional manner to the standard set out in this Agreement;

- (b) includes specific consideration of “constructability” and “life cycle” cost issues at all stages of Design, as appropriate; and
- (c) includes consideration of efficient and cost-effective operation and maintenance of the Hospital.

5.2 Zoning Approval

Project Co’s Design and Construction will be to the current zoning which is “P-4 (Public and Quasi-Public Use)”. The Authority has completed a zoning amendment for the site to allow maximum allowable height of 60m.

Project Co will be fully responsible to obtain all other permits and approvals required for the Construction of the New Facility including development permits and building permits that may be required, and entering into servicing agreements as may be required by the City.

5.3 Design Process

Project Co will undertake the Design:

- (a) in accordance with Appendix 2C [Review Procedure], including providing Submittals to the Authority in accordance with the Submittal Schedule and undertaking consultation with representatives of the Facility Users (the “**User Consultation Group**”) in accordance with Appendix 2C [Review Procedure];
- (b) in phases progressively, with each phase capturing the information and detail of a previous phase, as follows:
 - (1) Schematic Design Phase

The schematic design phase will include supplemental information not included in Appendix 2G [Proposal Extracts (Design and Construction)] and development of drawings and other documents illustrating the scale and character of the New Facility, architecture and all engineering systems in sufficient detail to describe how all the parts of the New Facility functionally relate to each other. For this phase, all references to “New Facility” will be deemed to include the 4 North PARR Renovation, Daycare Surgery Reception and Expansion, and all related north links on Level 4.

At this phase, the following items will be submitted to the Authority:

- (A) Proposal for a design vision, aesthetics, materials and building character, including New Facility elevations.
- (B) Narrative of how the design promotes close ties with the neighbourhood and integration with the surrounding community.
- (C) Narrative of how the design promotes coherent and harmonious integration of the architectural elements.
- (D) Project Co’s overall approach to achieving Facility Users’ objectives.
- (E) 1:500 plans: Site plan of the campus context showing building blocks and main accesses and egresses.
- (F) 1:200 plans: Site plan, focusing on access, egress and drop-offs (pedestrian, passenger vehicles and fire trucks).

- (G) 1:100 drawings: floor plans of functional department blocking and layouts, floor plans of internal and external flow of circulation between the departments in the New Facility (other than the CSB) and the CSB and other existing buildings and structures at RIH, sections and elevations of building stacking and links.
- (H) 3D Computer Model Renderings: exterior perspective of the new building and overall RIH Campus from the north, south, east and west from street level and aerial view, interior and exterior perspective of the main entrance, interior perspectives of main waiting area including gift shop and cafe, central registration, main department entrances, team care station, inpatient bedroom, staff lounge, public elevator lobby and corridor, mental health dining room and outdoor space.
- (I) BIM model (with full viewing, but not editing, capability) submitted on Aconex of the New Facility (other than the CSB) and overall RIH Campus for the Authority.
- (J) Calculations for theoretical peak sanitary sewer flowrate generated from the New Facility (other than the CSB).
- (K) Sizing calculations for the sanitary sewer holding tank.
- (L) Sizing calculations for the detention structure and the stormwater treatment unit, if any are required.
- (M) Drawings of the RIH Campus showing routes for the design vehicles referenced in the Design and Construction Specifications.
- (N) Narrative of building flexibility concepts.
- (O) A comparison of the Functional Space Requirements (as defined in Appendix 3A) and that of the proposed design.
- (P) Verification of aspects of accessibility.
- (Q) Proposal of progressive disclosure signage and wayfinding concepts.
- (R) Efficient integration of major equipment for optimal operations.
- (S) Description of all information management and information technology and security systems and how these systems will enable and enhance clinical functionality and a description of how integration will be achieved between any new, replaced or upgraded systems and any existing systems of the New Facility and the RIH Campus.
- (T) Facility Threat and Risk Assessment Report.
- (U) Review Risk Management Plan to minimize impacts on the Existing Facilities Operations. Review Design constraints, Risk areas, Mitigation strategies. Update Risk Management Plan as required.
- (V) Drawings and narrative for all mechanical, electrical, plumbing, and specialty systems including design accommodation for redundancy and spare capacity.
- (W) Preliminary electrical load redundancy and spare capacity calculations for all branches of power identifying loads of different types, such as

individual mechanical equipment, lighting, general receptacles, hospital equipment, communications and security equipment and elevators.

Before the design development phase can begin, either the end of the schematic design phase will result in 100% schematic design REVIEWED status or all of the outstanding comments on a Submittal will be agreed by the Authority as not being material in nature.

(2) Design Development Phase

The design development phase will include various drawings and documents together with a written project brief detailing area calculations, detailing all building systems and outline specifications, including the architectural, landscaping, civil, structural, mechanical, electrical and IMIT systems, materials and other elements to fully describe the New Facility. This will include all aspects of Section 5.3(b) of this Schedule at 100% completion. For this phase, all references to "New Facility" will be deemed to include the 4 North PARR Renovation, Daycare Surgery Reception and Expansion, and all related north links on Level 4.

At this phase, the following items will be submitted to the Authority:

- (A) 1:100 scale drawings that have addressed the comments from the schematic design phase.
- (B) 11x17 Packages organized by clinical departments that include architectural floor plans with dimensions and relevant equipment shown, reflected ceiling plans, interior elevations, 3D perspectives of the room/space with all equipment, fixtures and furniture shown, mechanical plans, electrical plans, and Room Data Sheets.
- (C) Developed 3D Computer Model Renderings: exterior perspective of the new building and overall RIH Campus from the north, south, east and west from street level and aerial view, interior and exterior perspective of the main entrance, interior perspectives of main waiting area including gift shop and cafe, central registration, main department entrances, team care station, inpatient bedroom, staff lounge, public elevator lobby and corridor, mental health dining room and outdoor space.
- (D) Developed BIM model (with full viewing, but not editing, capability) submitted on Aconex of the new Facility (other than the CSB) and overall RIH Campus for the Authority.
- (E) A full lighting and switching layout for each room and floor plates.
- (F) Developed interior finishes (flooring, walls, wall protection and ceiling finishes) for all rooms and floor plates.
- (G) Developed interior finish and exterior materials physical sample boards.
- (H) Efficient integration of major equipment for optimal operations.
- (I) Developed progressive disclosure signage and wayfinding strategies
- (J) Developed standard millwork types and details.
- (K) Review of door controls and hardware concepts/strategies.
- (L) Developed security strategies.

- (M) Developed exterior elevations of the buildings, cross and longitudinal sections of the New Facility showing links to the existing campus, and wall cross-sections.
- (N) Developed integration of exterior spaces, including courtyards, vehicle access/egress (including drop-off and pick-up access to parking, temporary parking, etc.).
- (O) Developed integration to other campus buildings.
- (P) Developed interior concepts and key elevations.
- (Q) Developed landscape plans.
- (R) Developed room numbering plan for Authority use (public and patient wayfinding).
- (S) Review risk management plan to minimizing Impacts on the existing facilities operations. Review design constraints, risk areas, mitigation strategies. Update risk management plan as required.
- (T) Provide written and graphical summaries to demonstrate how the design of the New Facility, including its infrastructure, makes provisions for the occurrence of natural disasters by illustrating through a plan vehicle access to: sanitary lift station / holding, two water mains; emergency water fill, external emergency O2 tie-in and medical bottle back-up; 72 hour back-up propane and oil available. Provide written and graphical summaries to demonstrate how the emergency access requirements can be utilized simultaneously.

At a minimum, the following items will be submitted for the technical aspects of the New Facility:

- (A) 1:100 floor and roofing plans
- (B) Main engineering component drawings that relate to the connection of municipal infrastructures and public services.
- (C) Main engineering component drawings that relate to the clinical design.
- (D) Main engineering component drawings that relate to equipment infrastructure.
- (E) Main engineering component drawings that relate to the mechanical system.
- (F) Main engineering component drawings that relate to the electrical system.
- (G) Main engineering component drawings that relate to the plumbing system.
- (H) Main engineering component drawings that relate to the medical gas system.
- (I) Main engineering component drawings that relate to landscaping, exterior lighting, storm water retention.

- (J) Main engineering component drawings that relate to transportation including all forms of traffic ingress and egress to and from the Site as well as throughout the campus.
- (K) Main engineering component drawings that relate to the structural system including links to other campus buildings.
- (L) Main engineering component drawings that relate to the life safety system.
- (M) For civil design:
 - (1) Site servicing.
 - (2) Site grading, curbing, retaining walls, barriers, railings, stairways, slope stabilization,
 - (3) Retaining wall typical sections and elevation sections.
 - (4) Pavement markings, design vehicle turning templates, lane width dimensions and parking stall dimensions,
 - (5) Stormwater management plan and erosion control plan.
 - (6) Design sizing calculations for detention basins, sanitary sewer holding, sanitary sewer service, domestic water service and propane and natural gas service.
- (N) Drawings indicating future engineering system flexibility.
- (O) Developed electrical load redundancy and spare capacity calculations for all branches of power identifying loads of different types, such as individual mechanical equipment, lighting, general receptacles, hospital equipment, communications and security equipment and elevators.
- (P) Main component drawings that relate to the clinical equipment.
- (Q) Main component drawings that relate to all information management and information technology.
- (R) A lightning protection study as provided in the Design and Construction Specifications.
- (S) A communication network plan showing:
 - (1) the edge communication devices;
 - (2) the core communication devices;
 - (3) the applications; and
 - (4) all connecting end-use equipment.
- (T) Detailed circuited drawings indicating sources of power, panel designation and all relevant information.

Clinical and technical aspects may be combined.

Before the construction documents phase can begin, either the end of the design development phase will result in 100% design development REVIEWED status or CORRECT DEFICIENCIES status (with acceptance by the Authority of Project Co's proposed correction for minor deficiencies).

(3) Construction Documents Phase

The construction documents phase will include construction documents consisting of drawings, specifications and calculations describing in detail the requirements for the construction of all components, systems and equipment of the New Facility. This will include all aspects of Section 5.3(b) of this Schedule:

- (A) at 50% completion;
- (B) at 95% completion; and
- (C) at 100% completion,

and, despite any later dates set out in the Submittal Schedule, in a timely way in advance of Construction with sufficient detail to permit the Authority to understand and assess the Design of the New Facility.

If Project Co intends to proceed with construction of an element of the New Facility in advance of the completion of the design of the entire New Facility then Project Co will deliver the 50%, 95% and 100% construction documents for that element (with sufficient accompanying detail to permit the Authority to understand and assess the design of that element) in advance of the design documents for other elements of the New Facility.

(c) so that in each phase, Project Co will provide to the Authority the level of detail and documentation that the Authority would customarily receive or expect to receive for a facility similar to the New Facility in accordance with Good Industry Practice, including (as applicable to a particular phase):

- (1) dimensioned floor plans and elevations;
- (2) interior elevations for all major or identified rooms and spaces, including all interior finishes, furniture and equipment, millwork, mechanical, electrical and IMIT systems, and 3D computer model images of all standard major rooms and spaces;
- (3) exterior building elevations and exterior 3D computer model renderings;
- (4) completed site and landscaping plans;
- (5) room finish schedules;
- (6) reflected ceiling plans;
- (7) interior finish and exterior materials and physical sample boards;
- (8) a written report detailing and describing the manner in which the following have been taken into account in the Design:
 - (A) LEED Gold Certification, including energy efficiency/sustainability and the relevant LEED project checklist and points;
 - (B) the Facility Threat and Risk Assessment;

- (C) workplace health and safety; and
 - (D) redundancy, spare capacity, and future flexibility of mechanical and electrical systems.
- (9) clearly identifying sections for:
- (A) architectural design;
 - (B) site development and landscaping;
 - (C) civil design;
 - (D) structural design;
 - (E) mechanical design;
 - (F) electrical and IMIT design; and
 - (G) security design.

Project Co will only issue drawings and specifications for construction purposes based on Reviewed Drawings and Specifications as described in Appendix 2C [Review Procedure].

This Section 5.3 does not limit Project Co's obligation to comply with any requirements set out in the Design and Construction Specification in relation to the stages and requirements for Design.

5.4 Design Change

The following will apply to the Authority's requests for amendments to the New Facility design:

- (a) revisions to drawings, specifications, equipment and additional Design requested by the Authority under the processes described in Section 5 of this Schedule and in Appendix 2C [Review Procedure], are not Changes and will be completed at Project Co's cost (except to the extent that any such requested revision would constitute a material change to the Design and Construction Specifications, the terms of Schedule 6 [Changes, Minor Works and Innovation Proposals] will apply and such revision will not be implemented except under a Change Certificate issued by the Authority); and
- (b) if and to the extent the Authority requires a variation of any Design described in the Reviewed Drawings and Specifications (other than a variation required to bring the Design into conformity with this Agreement) then such variation will be a Change and the terms of Schedule 6 [Changes, Minor Works and Innovation Proposals] will apply.

5.5 Mock-Ups

Project Co will, at its cost, provide "mock-ups" as follows:

- (a) 1:1 Paper Mock-up:

In accordance with the Project Schedule and prior to 100% completion of the design development phase, Project Co will provide 1:1 scale mock-ups of the following rooms through floor plans printed on durable paper laid out on the floor showing dimensions and sizing of the room, door opening and swing, headwalls, millwork, equipment, furniture and services along with temporary mobile walls for the duration as described in the Project Schedule:

- (1) E65: Recovery Room . Private and E66: Washroom, Patient

- (2) E62: Recovery Room, Private, Airborne Isolation including E63: Washroom, Patient and E64: Anteroom
- (3) E48: Stretcher Bays, Recovery (2 bays together with column headwall)
- (4) E53 & E39: Medication Room (16.0sm and 9.5sm)
- (5) C31: Patient Room, LDR including C32: Washroom, Patient, LDR
- (6) C33: Patient Room, LDR, Airborne Isolation including C34: Anteroom and C35: Washroom, Patient, LDR
- (7) C21: Exam Room, Triage/Observation
- (8) E17: Scrub Station
- (9) A38: Alcove, Observation, Hall Access
- (10) A28: Patient Room, Private and A29: Washroom, Patient
- (11) Patient/Service Elevator (not included in Clinical Specifications)
- (12) A39: Alcove, Nourishment
- (13) A11: Workstation, Touchdown
- (14) E88: On-Call Room including E89: Washroom, Staff
- (15) D24: Dining/Multipurpose Area
- (16) D23: Food Servery
- (17) F08: Reception Desk
- (18) F25: Registration Cubicles
- (19) A26: Housekeeping Room

Equipment, furniture, millwork, booms and monitors may be replicas, but must accurately represent actual physical dimensions.

(b) Fully Constructed Mock-ups:

In accordance with the Project Schedule and after the Authority grants design development "Reviewed" status but before the 50% construction documents phase, Project Co will provide fully constructed mock-ups of the following rooms (at a location either within the New Facility as it is under construction or at another location provided by Project Co near the New Facility), including all actual materials, finishes, millwork, services of the room so that the Authority and the User Consultation Group can experience all features of the Design and make Design decisions. Unless otherwise agreed by the Authority, these mock-ups will remain through the course of Construction as a point of reference for Quality Assurance by both the Authority and Project Co.

- (1) C21: Exam Room, Triage/Observation
- (2) C06: Care Team Station
- (3) C27: Utility Room, Soiled
- (4) E16: Operating Room, Standard

- (5) E24: Operating Room, Interventional Urology
- (6) E48: Stretcher Bays, Recovery (2 bays together with column headwall)
- (7) G04: Pulmonary Function Testing Lab
- (8) G06: Bronchoscopy Room and G07: Anteroom
- (9) G05: Exam Room
- (10) Patient/Service Elevator (not included in Clinical Specifications)
- (11) D1:22 Patient Room, Private and D1:23 Washroom, Patient
- (12) D38: Patient Room, Private and D39: Washroom, Patient
- (13) D42: Secure Room and D43 Anteroom
- (14) B22: Snoezelen Room
- (15) C68: Bassinette Bay, enclosed
- (16) C70: Support Area
- (17) C55: Bassinette Room, Private
- (18) Exterior panel at least 1525 mmx 1525 mm in size which includes interface and connection of all exterior components, colour of mortar, stack bond vs running for masonry caulking, and back up support wall including all miscellaneous fasteners, rain screen system, supports, air vapour barrier and flashings

Equipment (including booms and monitors) and furniture must be actual pieces if the Authority's procurement decisions have been made in time for such Equipment and furniture to be installed in the fully constructed mock-ups according to the Project Schedule. All mock-ups including floor slopes and floor drains such as in washrooms and showers will be 'live examples' to accommodate witnessing of water spray and flood testing.

(c) In situ Mock-ups:

In accordance with the Project Schedule and at a time agreed to by the Authority, Project Co will provide fully constructed in situ mock-ups, in their final locations, of the following rooms, including all actual materials, finishes, millwork, services of the room so that the Authority and the User Consultation Group can experience all features of the Design and make Design decisions. These mock-ups will remain through the course of Construction as a point of reference for Quality Assurance by both the Authority and Project Co.

- (1) C51: Medication Room
- (2) C31: Patient Room, LDR and C32 Washroom, Patient, LDR
- (3) E48: Stretcher Bays, Recovery (2 bays together with column headwall)
- (4) D38: Patient Room, Private and D39: Washroom, Patient
- (5) A32: Patient Room, Bariatric/Airborne Isolation and A33: Anteroom and A34: Washroom, Patient, Bariatric
- (6) C06: Care Team Station

- (7) C55: Bassinette Room, Private
- (8) E16: Operating Room, Standard
- (9) C27: Utility Room, Soiled
- (10) D56: Patient Room, Private, High Acuity

Project Co will modify the mock-ups as required as the Design develops based on feedback from the User Consultation Group and the Authority.

The purpose of the 1:1 paper mock-up is to illustrate and test the design and flow. The purpose of the fully constructed mock-ups is to illustrate and test the Design, finishes and flow. The purpose of the in situ mock-ups is to illustrate design, finishes, and quality of construction. Neither party may rely on the mock-ups. Project Co will update all Design documentation to reflect the mock-ups, and any input from the Authority, including User Consultation Groups, and will submit all such updated Design documentation to the Authority for review under Appendix 2C [Review Procedure].

Project Co will provide a site for the 1:1 paper and fully constructed mock-ups in the City of Kamloops at a location agreed by the Authority.

5.6 Ownership of Design

With respect to ownership and property rights relating to the Design:

- (a) the Authority will not have an ownership interest in the Design, including any of the drawings or specifications prepared and produced by Project Co, the Design-Builder or any Sub-Contractor;
- (b) Project Co grants to the Authority, or will cause the Design-Builder and all Sub-Contractors to grant to the Authority, an irrevocable perpetual license giving the Authority the non-exclusive right to use the Design, including any of the documents and information listed in Section 6.24 of this Schedule:
 - (1) in connection with the New Facility during and beyond the end of the Term and as long as the New Facility exists, including for operational purposes during the Term and for renovations, additions and alterations to the New Facility; and
 - (2) for reference purposes in connection with other operations, projects and facilities of the Authority; and
- (c) Project Co will execute and deliver, or cause to be executed and delivered, any and all further and other documents as the Authority may reasonably request to effect and record the license referred to in Section 5.6(b) of this Schedule.

5.7 Record of Adjustments to Design and Construction

The parties wish to create a single record of adjustments to the Design and Construction that are reflected in the Reviewed Drawings and Specifications, but which do not constitute Changes for which there are adjustments to payments or the Target Service Commencement Date. The adjustments include all inconsistencies with or differences from the Design and Construction Specifications, the Proposal Extracts, this Schedule 2 and any other parts of this Agreement. Project Co will maintain a list of all such adjustments, to be referred to as "Adds/Omits" or other name agreed to by the parties. Project Co will provide a copy of such list, and proposed updates to the list, together with each of the phases of Design set out in Section 5.3 above, and will modify the list for reasonable comments made by the Authority. The parties intend to agree on documentation to reflect such adjustments and may for convenience set out such adjustments in a Change Certificate. Unless otherwise agreed, at least 90 days prior to the Service Commencement Date, Project Co will provide the Authority with a draft Change Report, without

adjustments to payments or to the Target Service Commencement Date, setting out such adjustments, and the parties will seek to agree on final documentation within 30 days after the Service Commencement Date. For convenience in preparing and maintaining a record of adjustments, the parties will also seek to agree on such documentation on a preliminary basis at two reasonable times prior to Service Commencement. This Section 5.7 will not limit Project Co's responsibilities to provide the documentation set out in Section 6.24 of this Schedule.

6. CONSTRUCTION

6.1 Construction of the New Facility

Project Co will perform the Construction in strict conformity with the Reviewed Drawings and Specifications, as may be modified and amended from time to time in accordance with the terms of this Agreement, and this obligation will be in addition to all other obligations of Project Co under this Agreement.

6.2 Amendments and Changes to the Drawings and Specifications

During the Construction, Project Co will submit all amendments or additions to the Reviewed Drawings and Specifications to the Authority's Design and Construction Representative for review under Appendix 2C [Review Procedure].

Any Changes during the Construction will be subject to the terms of Schedule 6 [Changes, Minor Works and Innovation Proposals].

6.3 Skilled Workers

Project Co will employ or cause the Design-Builder to employ a sufficient number of sufficiently skilled workers to perform the Construction in compliance with this Agreement. Trades and other workers will be licensed or registered as required by applicable Law or Good Industry Practice.

6.4 Control of the Construction

Project Co will have total control of the Construction and will effectively direct and supervise the Construction so that it is undertaken in compliance with the terms of this Agreement. Project Co will be responsible for all construction means, methods, techniques, sequences and procedures with respect to the Construction and for coordinating the various elements of the Construction, and nothing in this Agreement (including this Schedule) will be interpreted as giving any responsibility for the above to the Authority, the Authority's Design and Construction Representative or any other representative or agent of the Authority, or to the Independent Certifier.

6.5 Existing Utilities and services

Project Co will confirm the location of, and protect:

- (a) all existing off-Site utilities and services that may be affected by the Construction; and
- (b) all existing on-Site utilities and services that may be affected by the Construction.

Project Co will relocate any existing on-Site utilities and services that conflict with Construction.

All existing utilities and services to the RIH Campus must remain in operation at all times with interruption only with the prior consent of the Authority's Representative.

6.6 Site Investigation

By entering into this Agreement, Project Co will be deemed to have inspected the Site and the RIH Campus in relation to the performance of its obligations under this Agreement and to have satisfied itself

and accepted all risks and related responsibilities relating to the Site and RIH Campus (except as expressly provided to the contrary in this Agreement) including:

- (a) the adequacy of the rights of access to and through the Site for the Construction;
- (b) vehicular access and parking;
- (c) temporary storage of building materials and equipment;
- (d) existing utilities and services on the Site and on the RIH Campus;
- (e) tie-in points for connections and systems;
- (f) existing building structures to receive tie-ins;
- (g) all facilities requiring demolition and disposal; and
- (h) geotechnical conditions.

6.7 Hazardous Substance Reports

The Authority has made available the Hazardous Substance Reports for Project Co's reference for the purpose of Sections 4.2.1 and 4.2.2 of Schedule 3 [Design and Construction Specifications]. Except as provided in that Section Project Co acknowledges that the Authority makes no representation whatsoever as to the accuracy or completeness of any information in the Hazardous Substance Reports.

6.8 Geotechnical Reports

The Authority has made available the Geotechnical Reports. The Authority makes no representation whatsoever as to the accuracy or completeness of any information in the Geotechnical Reports and Project Co specifically acknowledges that the Authority assumes and accepts no responsibility that the geotechnical information, as may be available in the Geotechnical Reports, is accurate or completely describes actual site conditions including geotechnical or soil conditions (including presence of boulders, rock, low-strength soil and voids) and ground water conditions (including presence of underground streams or water table conditions) that may affect the Design or Construction or other responsibilities of Project Co under this Agreement.

6.9 Site

Project Co will:

- (a) carry out the Construction in accordance with a phasing plan (the "**Phasing Plan**") that includes the details for Project Co's phasing of all parts of the Construction, including:
 - (1) all Site preparation;
 - (2) Construction of the New Facility, including the requirements and timing for construction and commissioning (including all systems and equipment) for each room;
 - (3) Construction in Work Areas set out in the Site Plan as follows:
 - (A) Work Area A is the site for the New Facility (as referenced in Schedule 3) building footprint.
 - (B) Work Area B is the location of the existing transit stop and traffic loop. Project Co is responsible for coordinating with the Authority to maintain public transit including temporary relocation of transit stops and shelter.

- (C) Work Area C is located to the east of the Clinical Services Building to connect new utilities to existing utility mains along Columbia Street.
- (D) Work Area D is located to the east of Work Area A and includes the existing campus ring road. Project Co will maintain access to the CSB and Admitting Drop off throughout the duration of Construction.
- (E) Work Area E is located to the southwest of Work Area A and includes the zone for installation of new services to connect to the existing site bulk Propane Tank.
- (F) Work Areas F1 to F4, inclusive, are located along 3rd Avenue and the campus ring road which include the improvements Project Co is required to complete per the City of Kamloops comments File ENG07436 & ENG07437 which is located in the Data Room.
- (G) Work Area F5 is located near the existing RIH loading bays and includes existing Telus pull box to be removed and replaced.
- (H) Work Area G is located at the Westland site and includes the Westland Parking.

Project Co will be responsible for all permitting required by the City for use of the site, including the Building Permit.

Work Area access points are noted on the Site Plan. Project Co will coordinate access to the site with the Authority and will not block or interrupt the 24/7 operation of the Hospital.

Project Co will submit the Phasing Plan to the Authority not less than 30 days after the Effective Date and will not proceed until the Phasing Plan has received the notation "Reviewed" under Appendix 2C [Review Procedure];

- (b) comply with the reviewed Phasing Plan;
- (c) construct the New Facility within the Site;
- (d) install a six foot fence around the perimeter of the Site and such hoarding as may be required to separate the Site from the other portions of the RIH Campus;
- (e) perform all Construction activities within the Site except as approved by the Authority under Section 6.11 of this Schedule for any work required in other areas of the RIH Campus (a Work Plan for such Construction activity must include an adequate plan for maintaining vehicle and pedestrian access to Hospital buildings within or adjacent to the Site);
- (f) cause Project Co Persons, Construction workers and suppliers to enter or exit the Site only at the access routes indicated on Appendix 2H [Site Plan], unless otherwise approved by the Authority;
- (g) take reasonable steps to ensure that Construction workers or suppliers do not:
 - (1) use any portion of the RIH Campus for vehicular parking or any residential streets within 1km of RIH unless permitted by the Phasing Plan; or
 - (2) smoke on any portion of the RIH Campus;
- (h) provide a 24-hour hotline (and post the phone number in a prominent location on the Site) for:

- (1) Authority staff to notify Project Co of any Construction related emergencies; and
- (2) neighbours and passers-by to contact Project Co;

and Project Co will respond to any phone calls made on the hotline within 1 hour;

- (i) provide the neighbourhood committee with a Project Co name and number to voice concerns;
- (j) provide a community liaison officer to provide a single point of contact regarding construction and development issues;
- (k) from the date that is 90 days after the Effective Date until Service Commencement, provide a high quality colour webcam service with one or more webcams that are linked to the Authority's public website for the Project and that provide frequently refreshed high quality images showing the Construction activities at the Site, with the Authority to provide Project Co with one or more locations reasonably required by Project Co on the RIH Campus for Project Co to install cameras and supporting infrastructure and services (including internet service); and
- (l) before commencing the Construction, prepare and implement in co-operation with the Authority a construction fire safety plan for the Project, which plan will describe emergency access routes to and from the New Facility and the RIH Campus during an emergency.

If Project Co performs any Construction outside of the area designated as the Site, Project Co will comply with all policies and other requirements of the Authority.

Project Co acknowledges receipt of a copy of a License Agreement dated March 23, 2018 between the Authority and the Roman Catholic Bishop of Kamloops (RCBK), the owner of the neighbouring St. Ann's Academy property, pursuant to which the Authority has arranged for limited access for purposes of constructing the new Westlands parking and related services. Project Co will not access the St. Ann's Academy property unless Project Co first complies with all requirements established by the Authority and RCBK to request and obtain access, and will not contact RCBK without the consent of the Authority. Project Co and the Authority will establish protocols for requesting and obtaining such access. Project Co will, in obtaining and in accessing the St. Ann's Academy property, observe and perform all requirements of the Authority under such License Agreement.

6.10 NOT USED

6.11 Connections and Integration to Hospital

The Hospital must remain fully operational at all times during Construction.

Project Co will:

- (a) co-operate with the Authority to co-ordinate any work required to connect to the Hospital to minimize the interference to the on-going operation of the Hospital, including the delivery of quality patient care;
- (b) adhere to all Authority policies and procedures relating to the Hospital established from time to time, provided that if the Authority changes any such policies or procedures, including by any amendments or additional policies or procedures after the Effective Date, and such changes are a Change, then such changes will be made in accordance with Schedule 6 [Changes, Minor Works and Innovation Proposals];

- (c) at least seven days before undertaking any work in the Hospital or proceeding with any proposed shutdown of Hospital services, deliver to the Authority and obtain the Authority's approval of a work plan ("**Work Plan**") clearly identifying:
- (1) the activity that may interfere with or disrupt the operation of the Hospital, including a description of the nature, timing and extent of interference or disruption;
 - (2) the steps Project Co intends to take to minimize the extent of such interference or disruption;
 - (3) the temporary measures that the Authority will be required to take to accommodate the interference or disruption; and
 - (4) any specific reporting relationships between Project Co and the staff desirable or required to coordinate the interference or disruption,
- unless the Authority, at its discretion, notifies Project Co in writing that a Work Plan will not be required for particular work or a particular shutdown;
- (d) prior to delivering a Work Plan, consult with the Authority and, upon reasonable request, the Authority will make appropriate staff available for such consultation to determine the Work Plan that minimizes interference or disruption to the Hospital;
- (e) not proceed with any work in the Hospital or any proposed shutdown of Hospital services without:
- (1) the Authority's prior written approval of a Work Plan under this Section 6.11, such approval not to be unreasonably withheld or delayed; or
 - (2) advance written notice from the Authority confirming that a Work Plan is not required;
- (f) undertake the Construction in accordance with the Work Plan approved by the Authority;
- (g) fully extend all link connections into the existing Hospital to the nearest existing corridor and prevent the creation of dead end links or links that are not fully useful for their Intended Uses; and
- (h) be responsible for all work within the Hospital including that required to complete all link connections prior to Service Commencement.

6.12 The Authority's Access to the Site

Subject to complying with all relevant safety procedures, including any relevant health and safety plans for the carrying out of the Construction and Project Co's and/or the Design-Builder's Site rules, the Authority's Design and Construction Representative and its delegates and any other Person designated by the Authority will have access at all reasonable times during normal working hours to:

- (a) attend the Site and view the Construction and any test or investigation being carried out in respect of the Construction;
- (b) access the Site for all reasonable purposes of the Authority; and
- (c) subject to obtaining the consent of the relevant manufacturer or supplier (which Project Co will use all reasonable efforts to obtain), visit any site or workshop where materials, plant or equipment are being manufactured, prepared or stored for use in the Construction for the purposes of general inspection and of attending any test or investigation being carried out in respect of the Construction.

The Authority's Design and Construction Representative and its delegates will have the right to attend all monthly progress meetings and Site meetings, including meetings between Project Co and the Design-Builder or its Sub-Contractors.

Project Co will cooperate with the Authority to arrange for tours of the Site at reasonable times during Construction for interested doctors and other health care officials and personnel, in a way that does not interfere with the progress of the Construction.

Except as set out above or as otherwise provided for in this Agreement, the Authority will not grant any Person access to the Site or New Facility during the Construction Period without the consent of Project Co, such consent not to be unreasonably withheld or delayed.

6.13 Inspection

Prior to the Service Commencement Date, Project Co will, upon request by the Authority's Design and Construction Representative including detailed reasons for the request, open up for inspection by the Authority's Design and Construction Representative any part of the work on the New Facility which the Authority's Design and Construction Representative, acting reasonably, believes is defective and:

- (a) if the parties agree or if it is determined in accordance with the Dispute Resolution Procedure that there are no Defects in the relevant part of such work, and Project Co complied with the requirements of Section 3.6 of this Schedule, then any delay caused by the exercise of such rights will be treated as a Compensation Event and be subject to Section 8.3 of this Agreement;
- (b) if the parties agree or if it is determined in accordance with the Dispute Resolution Procedure that any relevant part of the work on the New Facility is defective, then:
 - (1) Project Co will rectify and make good such Defect(s);
 - (2) any consequence of such rectification or making good Defect(s) will be carried out by Project Co at no cost to the Authority; and
 - (3) Project Co will not be entitled to any extension of time to the Project Schedule in relation to such rectification and making good of such work; and
- (c) if the parties are unable to reach agreement in accordance with Sections 6.13(a) or (b) above, then the matter will, at the request of either party, be referred to the Dispute Resolution Procedure. If, in order to maintain compliance with the Project Schedule, it is necessary to proceed in respect of the matter in Dispute, the parties will proceed in accordance with the position of the Authority, provided that Project Co proceeding in accordance with the Authority's position will be a Compensation Event if the relevant matter in Dispute is determined in favour of Project Co.

6.14 Builders Lien Act and Builders Liens

With respect to builders liens and the requirements of the *Builders Lien Act* (British Columbia):

- (a) the Authority will not have any responsibility to be the payment certifier under any contract related to Construction;
- (b) Project Co will make all required builders lien holdbacks;
- (c) no builders lien holdback will be retained by the Authority under this Agreement;
- (d) if it is determined that any builders lien holdback is required to be retained by the Authority, then Project Co agrees that it is making and will make all of its required holdbacks as agent for the Authority;

- (e) Project Co will indemnify the Authority from any damages, costs, claims and expenses of any kind, including actual solicitors costs, arising from the failure of the Authority to retain a builders lien holdback; and
- (f) failure to hold back payment of amounts due to any Person in accordance with section 4 of the *Builders Lien Act* (British Columbia) will not constitute a Project Co Event of Default.

6.15 Safety

Project Co will be solely responsible for safety during the Construction Period, including the safety of all Persons on the Site and any other location where the Construction is performed (whether on the Site or other location lawfully or not) and members of the public, and will comply with the requirements of applicable Laws, applicable construction safety legislation, regulations and codes and Good Industry Practice.

Project Co will immediately notify the Authority of any accident and will provide the Authority with all accident reports within 48 hours.

Project Co will for each Project Co Person that will be working on the RIH Campus during the Construction Period, unless otherwise agreed by the Authority for areas of the Site, review a criminal record check (Ministry of Public Safety and Solicitor General Type A Criminal Record Check, or equivalent) prior to the Project Co Person starting work on the RIH Campus, and provide a copy of the criminal record check to the Authority. Project Co will be responsible for maintaining a current log of all criminal records checks including names and dates of work.

6.16 Protection of Property

Project Co will:

- (a) protect the Authority's property (and any third party's property) from damage caused by the Construction, including buildings, roadways, drainage systems, landscaping, surfaces, services and infrastructure; and
- (b) promptly repair any damage to property caused by Project Co in undertaking the Construction, including any damage caused by site settlement or ground vibration.

Project Co acknowledges that Construction-caused settlement of existing buildings and structures on the RIH Campus and Construction-caused ground vibration may disrupt the operation of medical equipment (including laboratory and diagnostic imaging equipment in the adjacent buildings), requiring the equipment to be shut-down and re-calibrated, and may disrupt utility services to RIH. Project Co will cooperate with the Authority and take all reasonable steps to avoid disrupting such equipment and services, including meeting with the Authority's staff and equipment suppliers in advance of Construction to develop a Work Plan describing measures that Project Co will take to minimize any potential disruption or interference, and implementing the Work Plan, all in accordance with Section 6.11 of this Schedule. Project Co will monitor site settlement and ground vibration during Construction (as required by Section 6.17 of this Schedule) and take additional steps as may be required to avoid equipment or service disruptions as the Construction progresses. In addition to its obligations to promptly repair any damage to property as required by Section 6.16(b) of this Schedule, if any vibration exceeds the tolerances established in Section 6.18(a)(1) and if medical equipment is disrupted as a result of Construction-caused settlement or ground vibration outside the established tolerances, Project Co will, at its cost, arrange for the Authority's equipment suppliers to re-calibrate the equipment and return it to service as quickly as possible. Project Co will not be responsible for recalibration as part of regular maintenance of equipment.

6.17 Survey and Monitoring

Project Co will:

- (a) prior to the start of any Construction (including stockpiling of materials), conduct pre-condition surveys of all RIH buildings, residential houses and properties, infrastructure, roadways (including all underground services and installations) within a radius required by the Authority and in a form and detail satisfactory to the Authority, acting reasonably, which will without limitation include field observations of existing conditions, with spot elevations by a British Columbia Land Surveyor (BCLS) registered surveyor at locations that will be accessible throughout and following construction for ongoing settlement monitoring, and deliver a copy of the pre-construction survey report to the Authority;
- (b) Prior to commencing any Construction (including stockpiling of materials), complete a photographic/video record of the surface features within the Site, including existing curbs, sidewalk, landscape, asphalt, etc., with a copy to be provided to the Authority within 3 days of the documentation date; and
- (c) conduct post-condition surveys of the spot elevations at regular intervals throughout the Construction Period and at six months following Service Commencement, to determine ongoing long-term settlement effects, and deliver monitoring surveys to the Authority in a form and detail satisfactory to the Authority, acting reasonably.

The monitoring will include monitoring of all locations identified in the Design and Construction Specifications with limitations on settlement. Project Co will appoint a registered British Columbia Land Surveyor to carry out the settlement monitoring.

6.18 Control of Vibration

Project Co will discuss with the Authority any expected ground vibration from Project Co's Construction activities in advance of those activities (as vibration may result in damage to adjacent Hospital and residential buildings or affect existing Hospital installations, infrastructure, operations, and function of sensitive medical equipment or the use and enjoyment of RIH and residential buildings and properties), and without limiting the previous sentence Project Co will:

- (a) carry out its Construction activities so that:
 - (1) Ground vibrations from Project Co's Construction activities, including all demolition, ground improvement, and general construction activities, do not exceed 7.5 mm/s peak particle velocity when measured on any Hospital building between the hours of 7am to 5pm on Monday through Friday;
 - (2) Ground vibrations do not exceed 13.0 mm/sec peak particle velocity when measured on any Hospital building between the hours of 5pm to 8pm on Monday through Friday and between 8am to 5pm on weekends;
 - (3) Ground vibrations do not exceed 0.3 mm/s peak particle velocity when measured on any Hospital building outside the hours outlined above or during certain times of the day and certain days of the week as determined by the Authority, acting reasonably; and
 - (4) Vibration transfer to adjacent Hospital buildings does not adversely affect existing Hospital operations, including in particular laboratory, operating room and diagnostic operations and equipment in the adjacent buildings.

- (b) Complete a vibration monitoring program as follows:
- (1) Project Co will engage a qualified independent third-party to complete vibration monitoring during the Construction activities to confirm that the vibrations caused by the Construction activities do not exceed the limits specified in this Section 6.18.
 - (2) Project Co will undertake preliminary vibration monitoring at the Site during the initial stages of all Construction activities that are expected to cause vibrations in order to determine magnitude and dissipation rate of the vibrations for each activity and provide a mitigation procedure to prevent exceeding the vibration limits specified in this Section 6.18. Project Co will complete initial vibration related Construction activities at a significant distance away from other Hospital buildings. The vibration monitor will provide the Authority and Project Co with a report outlining the vibration results from each Construction activity. The Authority will review the preliminary vibration monitoring report and without relieving Project Co of its responsibilities, may require Project Co to comply with additional vibration monitoring requirements for each Construction activity prior to commencement of the Construction activity.
 - (3) Project Co will install vibration monitoring stations on adjacent Hospital buildings (e.g. Alumnae Tower and Clinical Services Building). External vibration monitoring stations will be installed at each existing building corner and spaced at 6 m intervals along the building walls adjacent to the construction area. Project Co will install a minimum of 20 internal vibration monitoring stations at locations required by the Authority. Project Co will submit typical detail of monitoring stations for the Authority's review prior to installation.
 - (4) The vibration monitor will conduct vibration monitoring during all Construction activity that occurs within 15 m of existing buildings, and as determined by the results of the preliminary vibration monitoring report. The third-party vibration monitor is to immediately alert the Authority (or designate) and Project Co if vibrations exceed the limits specified in this Section 6.18. Project Co will immediately cease the activity causing the vibration.
 - (5) The vibration monitor will provide the Authority and Project Co with a report no later than the 5th day of each month detailing the results of the monitoring for the previous month.

6.19 Control of Noise

Project Co will discuss with the Authority any expected noise from Project Co's Construction activities in advance of those activities (as noise may affect existing Hospital operations and patient care). Without limiting the foregoing, Project Co will:

- (a) prior to commencement of Construction activities, submit a noise control plan to the Authority. At a minimum, the plan should include the following:
 - (1) tentative schedule of activities likely to produce high sound levels (for the duration of the Construction);
 - (2) planned hours of work for activities expected to produce high noise levels;
 - (3) descriptions of planned specific noise abatement measures including enhanced hoarding adjacent to the existing buildings;
 - (4) intended staging locations and routes to be used for minimization of noise disturbance; and

- (5) the approach to selection of construction equipment to be on the Site;
- (b) on a weekly basis, provide a brief report to the Authority, including a graph of the logged hourly noise levels for the previous week (slow, A-weighted Leq, L10, L1, and Lmax) and a graph of the daily (24-hour long) A-weighted Leq, L10, L1, and Lmax since commencement of Construction;
- (c) include in the weekly report any updates to the noise control efforts and also a schedule of upcoming, noise and vibration producing activities;
- (d) carry out its Construction activities so that:
- (1) sound level in the Post Anesthetic Recovery Room, Operating Rooms, Intensive Care Unit and Labour and Delivery Rooms from Project Co's Construction activities does not exceed an hourly Leq of 45 dBAslow, an hourly L10 of 50 dBAslow, and an Lmax of 65 dBAslow (except with prior written approval from the Authority);
 - (2) sound level in the NICU from Project Co's Construction Activities does not exceed an hourly Leq of 45 dBAslow, an hourly L10 of 50 dBAslow, and an Lmax of 65 dBAslow (except with prior written approval from the Authority);
 - (3) Between the hours of 7:00 p.m. and 8:00 a.m. there will be no Construction activities within a 100 metres radius of the Inpatient Units and Labour and Delivery Rooms and NICU that generate more than an hourly Leq of 45 dBAslow, an hourly L10 of 50 dBAslow, and an Lmax of 65 dBAslow as measured indoors in the relevant rooms of such Units;
 - (4) sound transfer to adjacent Hospital buildings does not adversely affect existing Hospital operations; and
- (e) complete a sound monitoring program for the Post Anesthetic Recovery Room, Operating Rooms, Intensive Care Unit and Labour and Delivery Rooms and NICU as follows:
- (1) Project Co will complete sound monitoring during the Construction activities to confirm that the sound levels caused by the Construction activities do not exceed the limits specified in this Section 6.19 within the Operating Rooms and Labour and Delivery Rooms and NICU;
 - (2) Project Co will undertake preliminary sound monitoring at the Site during the initial stages of all Construction activities that are expected to cause noise in order to determine magnitude and dissipation rate of the noise for each activity and provide a mitigation procedure to prevent exceeding the sound limits specified in this Section 6.19. The sound level monitor will provide the Authority and Project Co with a report outlining the noise results from Construction activity. The Authority will review the preliminary sound monitoring report and without relieving Project Co of its responsibilities, may require Project Co to comply with additional sound monitoring requirements for each Construction activity prior to commencement of the Construction activity;
 - (3) Project Co will install three sound level monitoring stations, one within each of: the Operating Rooms, Labour and Delivery Rooms, and NICU. The sound level monitoring station will be installed within the Operating Rooms and Labour and Delivery Rooms and NICU along the building wall closest to the Construction area. The sound level meter will have the following minimum capabilities:
 - (A) logging of A-weighted (slow setting) Leq, L10, L1, and Lmax sound levels on an hourly basis; and

- (B) remote access via computer to upload logged sound level data; and
- (4) The sound level monitors will conduct sound monitoring during all Construction activity that affects the Operating Rooms and Labour and Delivery Rooms and NICU, and as determined by the results of the preliminary sound level monitoring report. The sound level monitors are to immediately alert the Authority (or designate) and Project Co if noise exceeds the limits specified in this Section 6.19 or Project Co is otherwise not in compliance with this Section 6.19. Project Co will immediately cease the activity causing the noise.

6.20 Infection Control and Control of Dust and Noxious Odours

Project Co will:

- (a) take all reasonable steps (including any specific steps reasonably required by the Authority) to minimize dust and noxious odours (including diesel exhaust) from the Construction (including demolition and preparation of the Site) and to mitigate any adverse effects on the existing Hospital; and
- (b) without limiting Project Co's obligation under Section (a) above:
 - (1) comply with CSA Z317.13 (Infection Control during Construction, Renovation or Maintenance of Health Care Facilities), including "Preventative Measure IV", at all times during the Construction Period and the Authority's Infection Prevention & Control Manual; and
 - (2) monitor compliance with CSA Z317.13 and the Authority's Infection Prevention & Control Manual on a daily basis during the Construction (including demolition and preparation of the Site) and deliver to the Authority no later than the 5th day of each month, a performance report for the previous month that:
 - (A) describes the steps taken by Project Co to comply with CSA Z317.13 and the Authority's Infection Prevention & Control Manual; and
 - (B) confirms that Project Co complied with CSA Z317.13 and the Authority's Infection Prevention & Control Manual or identifies any failure by Project Co to comply.

6.21 Signage

Project Co may erect signage at the Site during Construction to identify Project Co, the Design-Builder and Project Contractors provided such signs are acceptable to the Authority's Design and Construction Representative, acting reasonably.

6.22 Temporary Works

During the Construction Period, Project Co will:

- (a) have the sole responsibility for the design, erection, operation, maintenance and removal of temporary structures and other temporary facilities and the design and execution of construction methods required in their use; and
- (b) provide its own services necessary for Project Co's construction use including but not limited to power, telephone, water and sewage, and will not connect directly to the existing Hospital buildings or infrastructure except with the Authority's prior approval.

6.23 Project Meetings

Without limiting the obligations pursuant to Section 2.6 of this Schedule in respect of the Construction Period Joint Committee, at the Authority's request, Project Co's Design and Construction Representative will attend meetings to update the Authority on the progress of Construction and to discuss any issues that have arisen. The meetings will be at least weekly unless agreed otherwise by the Authority.

6.24 Project Records

Notwithstanding any other provision of this Agreement:

- (a) **As-Built Drawings and Specifications:** Project Co will:
- (1) throughout the Construction, update the Reviewed Drawings and Specifications (with respect to the drawings, such update will be in hard copy and "CAD" or other electronic format), including all final shop drawings, so as to produce accurate and complete as-built documents for the Facility;
 - (2) as requested from time to time during the Construction, make available such as-built drawings and specifications in hard copy and "CAD" or other electronic format to the Authority's Design and Construction Representative for review to permit the Authority's Design and Construction Representative to monitor Project Co's compliance with the requirements of this Section and for the Authority's operational and other use;
 - (3) provide three full-size hard copies and two electronic copies in ".dwg" format of the completed as-built drawings and specifications and in "CAD" or other electronic format on or before Service Commencement; and
 - (4) throughout the Construction, prepare and present shop drawings in a fashion that will aid the review process and expedite release of documents for action by Project Co. For Division 27 and Division 28 in particular, prepare shop drawings as individual submittals on a per system basis rather than bundled, unless the submittal aims to portray integration between the systems or similar. Project Co will include a titled cover sheet with each submittal package, with a unique system identifier, summary of contents and a revision number as applicable. All pages in the package will be numbered, starting with the cover sheet. If the shop drawing package contains a re-submittal, the cover sheet will contain revision number and a summary of changes from the previous revision.

Project Co will submit all electronic copies in compliance with the standards established by the Authority from time to time for electronic copies.

- (b) **Maintenance Manuals:** Project Co will:
- (1) on or before Service Commencement, make available all maintenance manuals, specifications, warranties and related information, in written and electronic form, for all the equipment and systems that have been included in the Design and Construction of the New Facility for review by the Authority's Design and Construction Representative; and
 - (2) organize and store such information in accordance with Schedule 14 [Records and Reports];
- (c) **Design Records:** Project Co will retain records of the Design process;

- (d) Minutes of Meetings: Project Co will retain minutes of all meetings between the Authority and Project Co relating to the Design and Construction. Project Co will circulate such minutes to the Authority's Design and Construction Representative for review and comment within the time period specified in this Agreement for the particular meeting or if no time period is specified then as soon as reasonably possible after the relevant meeting, and a reasonable period before any subsequent meeting so that all parties may consider the minutes and take required actions in advance of the subsequent meeting;
- (e) Inspection Reports and Tests Results: Project Co will retain official reports and certified test records of all inspections and tests which were undertaken as part of the Construction;
- (f) Monitoring Results: Project Co will retain all survey and monitoring records obtained in connection with Section 6.17 (Survey and Monitoring);
- (g) Utility Plans: Project Co will retain utility plans for the New Facility and the Site;
- (h) Landscape and Irrigation Plans: Project Co will retain landscape and irrigation plans for the New Facility and the Site;
- (i) Copies of all Permits: Project Co will retain copies of all Permits for the Construction and occupation of the New Facility; and
- (j) Signed Quality Assurance Plan: Project Co will retain a signed copy of the Quality Assurance Plan for the Construction and all records of the Quality Assurance Program implemented as required by this Agreement.

6.25 Apprentices on Public Projects in British Columbia

- (a) Project Co acknowledges that Project Co and its Design-Builder have obtained a copy of and have reviewed the Ministry of Jobs, Tourism and Skills Training ("**JTST**") policy set out in Apprentices on Public Projects Policy and Procedure Guidelines, Date: July, 2015, Update: March, 2016 available at <http://www2.gov.bc.ca/gov/content/industry/construction-industry/apprentices> (in this Section the "**Apprenticeship Policy**").
- (b) Unless defined in this Agreement, capitalized terms in this Section 6.25 have the meaning given in the Apprenticeship Policy.
- (c) Project Co agrees that the Apprenticeship Policy applies to this Agreement and Project Co will, subject to the reasonable assistance of the Authority, comply with the requirements of the Apprenticeship Policy.
- (d) Project Co agrees that the Authority requires Project Co to apply the Apprenticeship Policy to the Design-Builder and the Sub-Contractors and Sub-Contracts (of all tiers) valued at \$500,000 or more.
- (e) Project Co acknowledges that the requirements of the Apprenticeship Policy and this Section 6.25 include:
 - (1) using Registered Apprentice(s) in respect of the Design-Build Agreement and Sub-Contracts for Specified Trades valued at \$500,000 or more;
 - (2) reporting in Form A: Confirmation of Intent to Use Registered Apprentices as soon as practicable and at least 5 days prior to commencement of work and completing all supplementary forms (Form A) as required;

- (3) reporting in Form B: Apprentice Utilization Report quarterly and upon completion of the work under the applicable Design-Build Agreement or Sub-Contract; and
 - (4) complying with applicable requirements in relation to Personal Information.
- (f) Project Co further acknowledges that under the Apprenticeship Policy the Authority may, or may permit JTST, to exercise all provisions of the Apprenticeship Policy applicable to the Contracting Authority or the Province (whether through JTST or otherwise) provisions that permit the Contracting Authority:
- (1) to delay the start of work on the Project until the Authority has confirmed, through JTST, that Registered Apprentices will be used on the Project; and
 - (2) to delay issue of final payment in relation to the applicable work (but not in relation to any payment in relation to the Services) until the final Form B is submitted.
- (g) Project Co represents that all work to which the Apprenticeship Policy applies will be performed by the Design-Builder or Sub-Contractors and not by Project Co itself, and that Project Co will ensure that the provisions of this Section 6.25 are incorporated into the Design-Build Agreement and applicable Sub-Contracts.
- (h) Project Co and the Authority acknowledge that any change to the Apprenticeship Policy will, if required by the Authority to be implemented for purposes of this Agreement, be implemented as a Change under Schedule 6 [Changes, Minor Works and Innovation Proposals].

7. EQUIPMENT SUPPLY AND INSTALLATION

7.1 Design and Construction Requirements

The parties will comply with Appendix 2E [Equipment and Furniture].

Without limiting Appendix 2E [Equipment and Furniture], Project Co will complete the Design and Construction to accommodate in the New Facility the installation, operation, repair and maintenance of all the Equipment, including as required all electrical and plumbing connections, structural support, seismic restraints and space for efficient access, all to the tolerances and specifications as may be specified and required by the manufacturers or suppliers of such Equipment (which may be of a higher standard than specified in Schedule 3 [Design and Construction Specifications]).

Any items of equipment or systems referred to in the Design and Construction Specifications that are not specifically listed in the Equipment List referred to in Appendix 2E [Equipment and Furniture] are the sole responsibility of Project Co to be supplied and included as part of the New Facility.

8. QUALITY MANAGEMENT

8.1 Quality of the Design and Construction

Project Co is solely responsible for the quality of the Design and Construction.

8.2 Quality System

Project Co acknowledges that a comprehensive Quality System is critical for the proper and timely completion of the Design and Construction and accordingly Project Co will implement and follow a Quality System.

8.3 Project Co's Quality Consultant

Project Co will appoint a qualified expert in quality management (“**Project Co's Quality Consultant**”) to develop, implement and oversee a Quality Assurance Program and Quality Assurance Plan. Project Co will not permit Project Co's Quality Consultant to perform any role in the Design and Construction except for the role described in this Section 8.

8.4 Quality Assurance Program

Project Co's quality assurance program (the “**Quality Assurance Program**”) will:

- (a) detail Project Co's measures required to complete all aspects of the Design and Construction pursuant to its Quality System and in accordance with the requirements of this Agreement including this Schedule 2 [Design and Construction Protocols] and Schedule 3 [Design and Construction Specifications];
- (b) address and be applicable to all aspects of the Design and Construction;
- (c) provide for a graded approach to quality in which the appropriate level of quality assurance requirements for various elements of the Design and Construction are defined;
- (d) describe or comply with the following:
 - (1) the required quality level for each process or activity involved in the Design and Construction and the means of achieving it;
 - (2) the steps to ensure that everyone participating in the Design or Construction is committed to the Quality Assurance Program;
 - (3) the steps to ensure that the management and organizational structure and responsibilities are defined and understood by everyone participating in the Design or Construction;
 - (4) require that all Persons participating in the Design or Construction are competent to do their required tasks;
 - (5) require that individuals involved with the Quality Assurance Program will be held accountable for their work;
 - (6) provide that the right people will have the right information at the right time;
 - (7) provide that relevant experience for each process or activity will be sought and used;
 - (8) Design and Construction activities are planned and controlled;
 - (9) the right items, processes, and practices will be used;
 - (10) materials and services are verified to confirm that they are correct; Persons giving verification will be sufficiently qualified and will be independent from those who perform or install the materials or services;
 - (11) peer reviews and inspections will be performed on structured planned basis on all elements of the Design and Construction and:
 - (A) errors and deficiencies will be identified and recorded;
 - (B) errors and deficiencies remedied or corrected and a record maintained of the remedy or correction;

- (C) the building envelope design, which was initially designed by Kasian Architecture Interior Design and Planning Ltd. with subcontractors' and manufacturers' input, will be reviewed by a building envelope specialist (Entuitive) as well as by a specialist in the Design-Builder's Engineering/Research & Development Group and its Quality Assurance Department, and
 - (12) maintain records as required by this Agreement;
- (e) provide for design verification in accordance with Good Industry Practice;
- (f) provide that professionals of record will:
 - (1) carry out on-site inspections, review materials testing and inspector's reports, undertake required surveying, measuring, and verification of materials and construction methods to ensure conformance with the Reviewed Drawings and Specifications and the Design and Construction Specifications; and
 - (2) provide a letter of assurance that is an attestation that the Design and Construction has been performed in accordance with the Reviewed Drawings and Specifications and the Design and Construction Specifications.

8.5 Quality Assurance Plan

Project Co will develop a reasonable quality assurance plan (the "**Quality Assurance Plan**") that describes the implementation of the Quality Assurance Program in accordance with the following:

- (a) Project Co will deliver to the Authority a draft of the Quality Assurance Plan (that is based on the preliminary quality assurance plan included in the Proposal Extracts (Design and Construction) but specifically modified for the Project) not less than 90 days after the Effective Date, failing which, the Authority will be entitled to make a Deduction of \$2,500 for each week or part thereof after the date falling 90 days after the Effective Date until Project Co has delivered to the Authority a preliminary draft of the Quality Assurance Plan but if Project Co has not delivered to the Authority a preliminary draft of the Quality Assurance Plan by the date falling 120 days after the Effective Date, the Deduction applicable under this Section 8.5(a) will increase to \$5,000;
- (b) the Authority will provide its comments, if any, on the draft to Project Co within 20 Business Days of receipt of the draft;
- (c) Project Co will deliver a revised draft of the Quality Assurance Plan to the Authority not less than 20 Business Days after receiving the Authority's comments, failing which, the Authority will be entitled to make a Deduction of \$5,000 for each week or part thereof after the date falling 20 Business Days after the Authority's comments were received by Project Co until Project Co has delivered to the Authority a revised draft of the Quality Assurance Plan;
- (d) the Authority will, within 15 Business Days of receipt of the revised draft, advise Project Co whether the Authority accepts the Quality Assurance Plan, and if the Authority does not accept it the Authority will provide its reasons for such non-acceptance in sufficient detail to allow Project Co to address them;
- (e) if the Authority does not accept the Quality Assurance Plan, the parties will, acting reasonably, diligently work together with a view to revising the Quality Assurance Plan to address the Authority's reasons for non-acceptance;
- (f) if the Authority has not accepted the Quality Assurance Plan by the date that is 90 Business Days after the Effective Date, Project Co may refer the dispute to the Dispute

Resolution Procedure to determine whether Project Co's proposed Quality Assurance Plan is reasonable.

- (g) any Deduction the Authority is entitled to make pursuant to Section 8.5(a) or Section 8.5(b) of this Schedule will be made from the first Service Payment payable to Project Co pursuant to Schedule 8 [Payments]; and
- (h) Deductions made pursuant to this Section 8.5 will not be counted for the purposes of Sections 11.1 or 12.1(h) of this Agreement or Sections 6.7 or 6.8 of Schedule 4 [Services Protocols and Specifications].

Project Co will promptly implement and strictly comply with the Quality Assurance Plan developed under this Section.

8.6 Reporting

Project Co will deliver to the Authority a monthly report of the Quality Assurance Plan prepared by Project Co's Quality Consultant covering all aspects of the Design and Construction completed in the reporting period that are relevant to the Quality Assurance Plan. Project Co will highlight any deficiencies identified and corrective actions taken to address such deficiencies during the period covered by such report. The report will include all supporting documentation including field reviews, photographs, reports and other material.

8.7 Quality Review by the Authority

The Authority may, at its discretion, perform its own audits of the Quality Assurance Program and for that purpose Project Co will make available for review by the Authority, upon request from the Authority, all records of the Quality Assurance Program and the Quality Assurance Plan to permit the Authority to be satisfied that Project Co is following its Quality Assurance Plan.

9. WORKERS COMPENSATION

9.1 Evidence of WorkSafe BC Compliance

Project Co will provide evidence, satisfactory to the Authority's Design and Construction Representative, of compliance by Project Co and all Project Contractors with the requirements of the *Workers Compensation Act*, as amended, and all regulations and successor legislation thereto, including payments due thereunder at the following times:

- (a) prior to commencing the Construction; and
- (b) at any time during Construction, upon request of the Authority's Design and Construction Representative acting reasonably.

9.2 Indemnity for WorkSafe BC Non-Compliance

If Project Co or anyone employed by or through Project Co in the performance of any Construction does not comply with the requirements of the *Workers Compensation Act*, as amended, and all regulations and successor legislation thereto, including payment and deduction and remittance of any and all contributions, fees, assessments and charges required to be made pursuant to the above, Project Co will indemnify the Authority from any cost, loss, liability or obligation which the Authority may incur as a result.

9.3 Prime Contractor

For the purposes of applicable legislation and regulations, Project Co agrees to be, or will cause the Design-Builder to be, at all times during the Construction Period, the prime contractor as defined in the *Workers Compensation Act* for the Site and accordingly will comply, or will cause to be complied, with all resulting requirements and obligations including:

- (a) ensuring continuing coordination of the occupational health and safety activities of all employers on the Site, including the Authority, the Authority's Design and Construction Representative, any other contractors and everyone engaged by or through any of them;
- (b) delivering any notices of the Project as required by applicable regulations; and
- (c) complying with the obligations of a prime contractor for a multi-employer workplace as prescribed by the applicable regulations.

If for any reason WorkSafe BC (the Workers' Compensation Board of British Columbia) refuses to recognize Project Co or the Design-Builder as the prime contractor then, to the extent permitted by law, Project Co will cooperate with the Authority and perform on behalf of the Authority the obligations which the Authority is required to undertake as prime contractor in connection with the Construction by virtue of the *Workers Compensation Act* and Regulations, or other statutes.

9.4 Failure to Comply with WorkSafe BC Requirements

If at any time the Construction is stopped because Project Co, or any Project Co Person providing services or work on the Project, unreasonably fails or refuses to comply with an order issued pursuant to the *Workers Compensation Act*, then such failure or refusal will be considered a Project Co Material Breach.

10. PROJECT SCHEDULE AND SCHEDULING

10.1 Initial Project Schedule

Attached as Appendix 2F [Initial Project Schedule] is the initial project schedule (the "**Project Schedule**"), which the parties have relied upon in entering into this Agreement.

10.2 Project Schedule Updates

Project Co will, as required from time to time until Service Commencement, but no less than once per calendar month by the 15th day of each month, in consultation with the Authority update the Project Schedule so that it is at all times an accurate, reasonable and realistic representation of Project Co's plans for the completion of the Design and Construction of the New Facility in accordance with the requirements of this Agreement. The updates will include:

- (a) adjustments resulting from Supervening Events and Changes, if any, as permitted by this Agreement;
- (b) best estimates of the following:
 - (1) the start and completion dates for the Design phases described in Section 5.3 of this Schedule;
 - (2) the commencement of Construction; and
 - (3) the planned start and completion dates of the major activities of Construction;
- (c) the planned start and completion dates of work required to connect to the Hospital or any proposed shut-down of Hospital services; and
- (d) the Target Service Commencement Date, which (except to the extent necessary to reflect adjustments made in accordance with Section 10.2(a) of this Schedule) may not be updated or otherwise changed unless the Authority, in its discretion, consents.

Project Co will deliver an updated Project Schedule monthly to the Authority and the Independent Certifier and upon delivery the updated Project Schedule (the "**Updated Project Schedule**") will be the Project Schedule under this Agreement in substitution for the previously issued Project Schedule. If at any time

the Authority does not agree with the proposed updates that may be required to the Project Schedule then the disagreement may be referred to the Dispute Resolution Procedure.

10.3 Failure to Update Project Schedule

If Project Co fails or refuses to deliver an Updated Project Schedule as required under Section 10.2 of this Schedule, then such failure or refusal will be deemed to be a Project Co Material Breach.

10.4 Compliance with Project Schedule

Project Co will undertake the Design and Construction of the New Facility in compliance with the Updated Project Schedule, as may be updated pursuant to this Agreement.

10.5 Move-In Schedule

Project Co acknowledges that the Authority will rely on the Service Commencement Date as set out in the Project Schedule (as may be adjusted under Section 10.2 of this Schedule).

As soon as reasonably practicable, but in any event no later than 365 days prior to the Target Service Commencement Date, Project Co will deliver to the Authority's Design and Construction Representative a move-in schedule in respect of the New Facility (the "**Facility Move-in Schedule**") indicating the anticipated dates when such areas will become available for occupation by the Authority so as to facilitate and permit the Authority to progressively take up occupation in an efficient manner.

The Authority's Design and Construction Representative will advise Project Co of any key or significant moves or move-in requirements, and Project Co will, as reasonably possible, accommodate the Authority's requirements and requests. Project Co will, as may be required from time to time, up-date the Facility Move-in Schedule.

11. DELAYS AND ACCELERATION

11.1 Acceleration to Recover Project Co Delays

If at any time the Authority, acting reasonably, determines that Project Co is behind the Updated Project Schedule and will not achieve Service Commencement by the Target Service Commencement Date, then the Authority may deliver notice to Project Co's Design and Construction Representative to use its best efforts, at Project Co's own cost and at no cost to the Authority, to accelerate the Construction so as to conform to the Updated Project Schedule and achieve Service Commencement by the Target Service Commencement Date.

11.2 Delay Costs

If, other than due to a Supervening Event or a Change, Project Co fails to achieve Service Commencement by the Target Service Commencement Date, then Project Co will reimburse the Authority for any additional out-of-pocket costs which the Authority reasonably incurs and evidences to Project Co because the Authority relied on the relevant Facility Move-in Schedule, which are in excess of the costs which the Authority would have incurred had Project Co achieved the dates set out in the relevant move-in schedule. Notwithstanding anything contained in this Agreement (including any Schedule), the liability of Project Co for failing to achieve Service Commencement by the Target Service Commencement Date will not exceed \$7,500 per day.

11.3 Acceleration to Advance Service Commencement

Without prejudice to the Authority's rights under Section 11.1 of this Schedule, if at any time the Authority determines that it requires the Construction to proceed in advance of the Updated Project Schedule then the Authority may give written notice to Project Co to provide the Authority with a written proposal to accelerate the Construction, including cost estimates and an estimate of the time saved. If the Authority acting reasonably decides to proceed with the acceleration then:

- (a) the Authority will notify Project Co in writing;
- (b) Project Co will implement the directed acceleration in accordance with its proposal;
- (c) the Authority will reimburse Project Co for costs that were described in Project Co's proposal and reasonably incurred by Project Co (but not for any other costs); and
- (d) if the acceleration involves a Change (other than to the Updated Project Schedule) then such Change will be made in accordance with Schedule 6 [Changes, Minor Works and Innovation Proposals].

12. COMMISSIONING

12.1 Testing and Commissioning

Project Co will, at a minimum of 12 months prior to applying for a Certificate of Service Commencement, retain a qualified independent commissioning agent (who is neither a Project Co Person nor an Affiliate of a Project Co Person; and who is acceptable to the Authority, acting reasonably) to test and commission all equipment (including Equipment on the Equipment List that is in Category 1, 5 and 6) and systems in the New Facility to demonstrate to the Authority's Design and Construction Representative that the New Facility equipment and systems, including all major systems, are operating so that the Authority may occupy the New Facility for its Intended Uses and the Availability Conditions are satisfied for all Functional Units. The commissioning agent will prepare a written report to confirm the foregoing, and completion of the commissioning activities scheduled in the Commissioning Plan to be completed before Service Commencement. Testing and commissioning will include the following:

- (a) a complete and successful demonstration in real time under full stress conditions for all equipment and systems that require or are provided with redundancy or spare capacity;
- (b) end to end testing and commissioning of key equipment and systems including but not limited to all medical Equipment, communication systems (nurse call, vocera, intercom, overhead paging, telephones) and door controls;
- (c) testing and commissioning will have clinical acceptance testing of proper function of equipment and systems and all points of integration between equipment and systems; and
- (d) Project Co will be responsible for arranging, delivery and costs for all fuel, propane, natural gas, and any other energy source required to test and commission all Mechanical and Electrical systems. The various storage systems will be filled prior to the start of testing and commissioning phase by Project Co and the costs paid by the Authority. All subsequent refilling of the various storage systems will be the responsibility of Project Co and costs paid by the Authority.

12.2 Equipment and Systems Operation and Training

Project Co will be knowledgeable on the proper use and maintenance of all equipment and systems Project Co installs in the New Facility, including all equipment and systems described in the Design and Construction Specifications and any other communication systems, and will provide sufficient training and education to the Authority staff to enable the Authority to properly utilize such equipment and systems, including any training and education with respect to Equipment required under Appendix 2E [Equipment and Furniture]. The Authority will identify the relevant Authority staff and make such staff available for training at reasonable times before the Service Commencement Date. All training will be completed before the Service Commencement Date unless agreed by the Authority, acting reasonably. Training may be after Service Commencement if required by the Authority, or at the request of Project Co with the consent of the Authority, acting reasonably.

12.3 Commissioning Plan

Project Co will prepare and deliver to the Authority's Design and Construction Representative and the Independent Certifier a detailed plan (the "**Commissioning Plan**") setting out the testing, commissioning, training and other activities Project Co intends to carry out to satisfy Sections 12.1, 12.2 and 12.3 of this Schedule and to achieve Service Commencement, including:

- (a) a description of the specific equipment and systems to be tested and commissioned and the associated commissioning requirements, including those to be completed before Service Commencement;
- (b) supporting documentation, including as appropriate:
 - (1) design calculations and/or assumptions;
 - (2) manufacturer's specifications;
 - (3) identification of all equipment and systems that require or are provided with redundancy or spare capacity and that will include complete successful demonstration in real time under full stress conditions;
 - (4) identification of post-disaster requirements and protocols for all equipment and systems to be commissioned;
 - (5) a description of all systems which will be tested and commissioned for integration to other systems; and
 - (6) a description of all systems and equipment where the Authority's clinical staff will be required to develop functional scenarios and to test and witness these functional scenarios;
- (c) a description of the training and education that Project Co intends to provide to the Authority's staff to enable the Authority to properly utilize the equipment and systems installed in the New Facility, including all training and education to be completed before Service Commencement;
- (d) the name of the commissioning agent and the names of other Persons to be involved in testing, commissioning and training;
- (e) a description of Project Co's system for managing records of tests, inspections, quality assurance and training;
- (f) a general description of Project Co's transition plans for handover to the Authority of the New Facility at Service Commencement;
- (g) a schedule, related to the Project Schedule, showing:
 - (1) the timing of all testing and commissioning, training and clinical acceptance testing;
 - (2) for each requirement of Service Commencement (described in Schedule 1 [Definitions and Interpretation]), the date upon which Project Co anticipates achieving the requirement;
 - (3) a matrix of all equipment and systems, including all integrated Equipment and systems, and how they integrate with each other, along with an overview of the procedures that will be followed to demonstrate that integration of all equipment and systems has been and will be achieved; and

- (4) the timing and development of the functional scenarios with the Authority's clinical staff; and
- (h) a completed Campus-Wide Fire Management Plan as defined in Section 1 of Appendices 4D [Plant Services (New Facility Only)] and 4E [Plant Services (Other Site Facilities Only)].

The Commissioning Plan must be reasonable having regard to the requirements of Sections 12.1, 12.2 and 12.3 of this Schedule and will be developed and finalized as follows:

- (i) Project Co will deliver a preliminary draft of the Commissioning Plan to the Authority not less than 12 months before the Target Service Commencement Date, failing which, the Authority will be entitled to make a Deduction of \$2,500 for each week or part thereof after the date falling 12 months before the Target Service Commencement Date until Project Co has delivered to the Authority a preliminary draft of the Commissioning Plan but if Project Co has not delivered to the Authority a preliminary draft of the Commissioning Plan by the date falling 9 months before the Target Service Commencement Date, the Deduction applicable under this Section 12.3(i) will increase to \$5,000;
- (j) the Authority will provide its comments, if any, on the preliminary draft Commissioning Plan to Project Co within 20 Business Days of receipt of the preliminary draft;
- (k) Project Co will deliver a revised draft of the Commissioning Plan to the Authority not less than 40 Business Days after receipt of the Authority's comments on the preliminary draft, failing which, the Authority will be entitled to make a Deduction of \$5,000 for each week or part thereof after the date falling 40 Business Days after the Authority's comments were received by Project Co until Project Co has delivered to the Authority a revised draft of the Commissioning Plan;
- (l) the Authority will, within 15 Business Days of receipt of the revised draft, advise Project Co whether the Authority accepts the Commissioning Plan, and if the Authority does not accept it the Authority will provide its reasons for such non-acceptance in sufficient detail to allow Project Co to address them;
- (m) if the Authority does not accept the Commissioning Plan, the parties will, acting reasonably, diligently work together with a view to revising the Commissioning Plan to address the Authority's reasons for non-acceptance;
- (n) if the Authority has not accepted the Commissioning Plan by the date that is 6 months before the Target Service Commencement Date, Project Co may refer the Dispute to the Dispute Resolution Procedure to determine whether Project Co's proposed Commissioning Plan is reasonable;
- (o) any Deduction the Authority is entitled to make pursuant to Section 12.3(i) or Section 12.3(k) of this Schedule will be made from the first Service Payment payable to Project Co pursuant to Schedule 8 [Payments]; and
- (p) Deductions made pursuant to this Section 12.3 will not be counted for the purposes of Sections 11.1 or 12.1(h) of this Agreement or Sections 6.7 or 6.8 of Schedule 4 [Services Protocols and Specifications].

12.4 Move Plan

Project Co will prepare and deliver to the Authority's Design and Construction Representative a detailed plan (the "**Move Plan**") setting out the coordination, planning, preparation, relocation, installation, testing, commissioning, training and other activities Project Co will carry out to satisfy Section 7 and 11 of Appendix 2E [Equipment and Furniture], including:

- (a) a description of the specific equipment and office and wall-mounted items to be disconnected, removed, relocated, installed, tested and commissioned and the associated commissioning requirements;
- (b) supporting documentation, including as appropriate:
 - (1) design calculations and/or assumptions;
 - (2) manufacturer's specifications;
 - (3) identification of all equipment and systems that require or are provided with redundancy or spare capacity and that will include complete successful demonstration in real time under full stress conditions; and
 - (4) identification of post-disaster requirements and protocols for all equipment and systems to be commissioned;
- (c) the name of the specialized healthcare equipment relocater and the commissioning agent and the names of other Persons to be involved in relocation, installation, testing, commissioning and training;
- (d) a description of Project Co's system for managing records of installation, tests, commissioning, inspections, quality assurance and training;
- (e) a general description of Project Co's relocation plans and any other transition plans required in order to coordinate the move, installation and commissioning of relocated Equipment and office and wall-mounted items to the New Facility;
- (f) a schedule, related to the Project Schedule, showing:
 - (1) the timing of all planning, disconnecting, removal, moving, installation, testing and commissioning and training;
 - (2) a matrix of all equipment and systems, including all integrated equipment and systems, and how they integrate with each other, along with an overview of the procedures that will be followed to demonstrate that integration of all equipment and systems has been and will be achieved; and
 - (3) the Move Plan and schedule must be developed in consultation with the Authority and in consideration to minimize any clinical operational impacts;
- (g) Project Co will deliver a preliminary draft of the Move Plan to the Authority not less than 12 months before the Target Service Commencement Date, failing which, the Authority will be entitled to make a Deduction of \$2,500 for each week or part thereof after the date falling 12 months before the Target Service Commencement Date until Project Co has delivered to the Authority a preliminary draft of the Commissioning Plan but if Project Co has not delivered to the Authority a preliminary draft of the Commissioning Plan by the date falling 9 months before the Target Service Commencement Date, the Deduction applicable under this Section 12.4(g) will increase to \$5,000;
- (h) the Authority will provide its comments, if any, on the preliminary draft to Project Co within 20 Business Days of receipt of the preliminary draft;
- (i) Project Co will deliver a revised draft of the Move Plan to the Authority not less than 40 Business Days after receipt of the Authority's comments on the preliminary draft, failing which, the Authority will be entitled to make a Deduction of \$5,000 for each week or part thereof after the date falling 40 Business Days after the Authority's comments were

received by Project Co until Project Co has delivered to the Authority a revised draft of the Move Plan;

- (j) the Authority will, within 15 Business Days of receipt of the revised draft, advise Project Co whether the Authority accepts the Move Plan, and if the Authority does not accept it the Authority will provide its reasons for such non-acceptance in sufficient detail to allow Project Co to address them;
- (k) if the Authority does not accept the Move Plan, the parties will, acting reasonably, diligently work together with a view to revising the Move Plan to address the Authority's reasons for non-acceptance;
- (l) if the Authority has not accepted the Move Plan by the date that is 6 months before the Target Service Commencement Date, Project Co may refer the Dispute to the Dispute Resolution Procedure to determine whether Project Co's proposed Move Plan is reasonable;
- (m) any Deduction the Authority is entitled to make pursuant to Section 12.4(g) or Section 12.4(i) of this Schedule will be made from the first Service Payment payable to Project Co pursuant to Schedule 8 [Payments]; and
- (n) Deductions made pursuant to this Section 12.4 will not be counted for the purposes of Sections 11.1 or 12.1(h) of this Agreement or Sections 6.7 or 6.8 of Schedule 4 [Services Protocols and Specifications].

The Move Plan must be reasonable having regard to the requirement of this Schedule and will be developed and finalized as part of the Commissioning Plan.

13. COMPLETION

13.1 Deficiency List

Prior to and as a condition of issuance of the Certificate of Service Commencement, Project Co will, in cooperation with the Authority's Design and Construction Representative and the Independent Certifier, prepare a complete list of Defects that are apparent upon inspection of the New Facility at that time (the "**Service Commencement Deficiencies**") and deliver to the Authority's Design and Construction Representative the list of Service Commencement Deficiencies.

Subject to the right of Project Co to refer matters to the Dispute Resolution Procedure as set out below, the list of Service Commencement Deficiencies will include all items required by the Authority to be included on such list.

The Authority or Project Co may refer matters relating to the accuracy or completeness of the list of Service Commencement Deficiencies to the Dispute Resolution Procedure.

In an attempt to keep the "Service Commencement Deficiencies" list to a minimum, Project Co will develop a deficiency program and tracking system established in advance of any areas or rooms being complete. As each room or area becomes complete, there will be a review completed and a deficiency item list created. Project Co will distribute this list to any parties that are responsible for any defective work, and have an assigned date by which the deficiency must be corrected. This will be monitored and updated regularly as the New Facility progresses towards completion.

13.2 Advance Notice of Application for Service Commencement

Project Co acknowledges that the Independent Certifier will need sufficient time to complete any inspections, consult with the Authority, and consider the list of Service Commencement Deficiencies, and accordingly Project Co will:

- (a) at least 30 days (but no more than 60 days) before the Target Service Commencement Date, deliver to the Independent Certifier and the Authority's Design and Construction Representative a notice setting out:
 - (1) a description of all outstanding Design and Construction to be completed by Project Co prior to Service Commencement; and
 - (2) a list of all Defects that Project Co is aware of at the time of the notice; and
- (b) assist the Independent Certifier to make any advance inspections requested by the Independent Certifier.

13.3 Application for Certificate of Service Commencement

If Project Co believes it has achieved the requirements for Service Commencement and complied with Section 13.2 of this Schedule then Project Co may apply to the Independent Certifier (with a copy to the Authority's Design and Construction Representative) for a Certificate of Service Commencement. No later than 5 Business Days after application by Project Co for a Certificate of Service Commencement, the parties will require the Independent Certifier to, in cooperation with Project Co's Design and Construction Representative and the Authority's Design and Construction Representative, make an inspection of the New Facility, review the basis for Project Co's application for Service Commencement, and then within a further 5 Business Days, with respect to an application for a Certificate of Service Commencement:

- (a) if Service Commencement has been achieved, issue a certificate indicating that Service Commencement has been achieved (a "**Certificate of Service Commencement**"), together with comments on the list of Service Commencement Deficiencies (if any); or
- (b) if Service Commencement has not been achieved, provide Project Co and the Authority's Design and Construction Representative with a list of all incomplete Design and Construction that must be completed prior to Service Commencement.

A Certificate of Service Commencement issued by the Independent Certifier will be final and not referable to the Dispute Resolution Procedure or otherwise subject to dispute between the parties.

13.4 No Early Service Commencement

Notwithstanding any other provision of this Schedule, Project Co is not entitled to achieve Service Commencement prior to the Target Service Commencement Date in effect as of the Effective Date, which Target Service Commencement Date for greater certainty is February 15, 2022. For purposes of this Section 13.4, that date is not subject to change for any reason, including for the occurrence of any Supervening Event.

13.5 Correction of Deficiencies

Upon issuance of the Certificate of Service Commencement, Project Co will proceed expeditiously to correct each Deficiency by the date that is 30 days after the Service Commencement Date with respect to the Service Commencement Deficiencies, or such later date as may be reasonably required to provide sufficient time to correct the Deficiency and that is agreed by the Authority, acting reasonably (each Deficiency having its own "**Deficiency Deadline**"). Each Deficiency which has not been fully corrected by its Deficiency Deadline will be deemed (without the requirement for any further action by the Authority) to have generated a Demand Maintenance request on that day and thereafter the applicable provisions of this Agreement, including applicable Rectification Periods and Deductions, will apply to each such deemed request. Nothing in this Section 13 limits Project Co's responsibilities for correction of Defects that are identified after the preparation of the list of Service Commencement Deficiencies.

14. WESTLAND PARKING CHANGE

Project Co acknowledges that the Authority is considering:

- (a) modifying the Westland Parking (as defined in the Design and Construction Specifications) to modify the surface parking contemplated in the Design and Construction Specifications to provide for parking alternatives that may include a parkade;
- (b) procuring the design and construction for the parking alternatives on a competitive basis separately from the Project; and
- (c) on completion requiring Project Co to provide the Other Site Services to the parking alternatives.

If the Authority proceeds with parking alternatives, the Authority will proceed with a Change under Schedule 6 [Changes, Minor Works and Innovation Proposals].