



Inuvialuit Energy Security Project

REQUEST FOR PROPOSALS:

Site Works Engineering Design and Owners
Engineer Support Services

August 4, 2020
(Including all updates to August 18, 2020)

PART A: GENERAL INFORMATION FOR PROPONENTS

Key Anticipated Dates

RFP Issue Date	August 4, 2020
Deadline for Questions and Inquiries:	August 12, 2020
Final Addendum Issued:	August 18, 2020
Proposal Submission Deadline:	September 3, 2020
Award of Contract:	September 11, 2020
Commencement Engineering Services:	TBD
Completion of Engineering and Design:	December 15, 2020
Site Works Construction Period:	January to April 2021

Key Contacts

Kate Darling
Special Advisor, Inuvialuit Petroleum Corporation (IPC)
Email: kdarling@inuvialuit.com

Zac Stashko
Lead Engineer, Ferus Natural Gas Fuels (Ferus NGF)
Email: zacstashko@ferus.com

Enquiries & Amendments

All questions and inquiries concerning this Request for Proposal (RFP) must be submitted in writing no later than 12:00 PM Mountain time on August 12, 2020. Questions and inquiries must be addressed to:

Kate Darling
Special Advisor, Inuvialuit Petroleum Corporation
Email: kdarling@inuvialuit.com

All enquiries concerning this RFP must be in writing and must be submitted to IPC, to the attention of Kate Darling, Special Advisor at kdarling@inuvialuit.com no later than August 12, 2020. IPC is not required to provide a response and may share the enquiry with other prospective proponents. If IPC decides to share an enquiry, IPC will send that enquiry to each proponent, at the email address provided in their Proposal.

IPC may amend RFP Documents subsequent to the RFP Issue Date if IPC deems it necessary. If IPC decides to make any changes to the RFP Documents, such Amendment will be sent to each Proponent, at the email address provided in their Proposal. Further, the Amendment will form part of the RFP Documents.

COVID-19

Proponents are responsible for their own awareness of the latest information regarding GNWT requirements relating to COVID-19. Proponents must outline in their proposals the limitations, if any, that GNWT requirements might have on their ability to perform the Engineering Services. Proponents must demonstrate in their proposals how they will address any issues they have identified arising from GNWT COVID-19 requirements.

Submission Guidelines

The following instructions apply to this RFP:

- a. Proposals must be received prior to **15:00h Mountain Time on Thursday September 3, 2020** (the “Proposal Submission Deadline”).
- b. Proposals are to be submitted by email to the Contact Person for this RFP:
 - a. Attention: Kate Darling, Special Advisor
 - b. Email: kdarling@inuvialuit.com
 - c. Subject: IESP – RFP Submission
- c. Proponents are encouraged to identify themselves to the Contact as soon after the RFP Issue Date as possible to advise of their interest in submitting a proposal.
- d. Proposals must fully demonstrate to IPC’s satisfaction how the Contractor will meet the requirements in the Scope of Work, the personnel that will be assigned to the project and their experience with similar work, the unit costs and estimates for completing the Work, and the timeline upon which the Work will be completed.
- e. If a Proponent intends to use subcontractors, the Proposal should include the name(s) of the subcontractor(s) and the portion of the work the subcontractor(s) will perform. Proposals should also include the complete address of the subcontractor, the type of work the subcontractor will perform, and the estimated percentage of work to be performed by the subcontractor.
- f. The IPC may extend the deadline for proposals for any reason prior to the Proposal Submission Deadline by means of a written notice published on their website at www.iesp.inuvialuit.com.
- g. IPC reserves the right to cancel and/or reissue this RFP at any time.
- h. All questions or enquiries concerning this RFP must be in writing and must be submitted to IPC, to the Attention of Kate Darling at kdarling@inuvialuit.com no later than August 12,

2020. IPC is not required to provide a response and may share the enquiry with other prospective proponents. If IPC decides to share an enquiry, IPC will send that enquiry to each Proponent, at the email address provided in their RFP Response.

- i. IPC may make changes to RFP Documents subsequent to the RFP Issue Date if IPC deems it necessary. If IPC decides to make any changes to the RFP Documents, such change will be sent to each Proponent, at the email address provided in their RFP Response.
- j. If a Proposal contains a defect, or fails to comply with the requirements of this RFP, the IPC reserves the right, in its sole discretion, to accept the Proposal if it determines that the Proposal will best serve the interests of the Inuvialuit Energy Security Project (IESP).
- k. In the event all Proposals or amendments have material defects with the requirements of this RFP, the IPC reserves the right to cancel the RFP, or to accept the Proposal deemed to be in the best interest of the IPC.
- l. Notwithstanding any other provision of this RFP, this is not a Request for Tenders and is not an offer to enter into either a bidding contract (often referred to as "Contract A") or a contract to provide goods and/or services (often referred to as "Contract B"). Proposals submitted in response to this RFP are done on a voluntary basis and shall not constitute tenders. The IPC is not bound to accept the Proposal that provides for the lowest price nor any Proposal of those submitted.**
- m. The IPC reserves the right to negotiate price, scope of work, or both, with the chosen Proponent.
- n. Only the execution of a written Agreement shall constitute the making of a contract. No Proponent shall acquire any legal, equitable, or contractual rights or privileges whatever until the contract is signed.
- o. Notwithstanding any other provision of this RFP, a Proponent who responds to this RFP agrees it will have no claim for damages or compensation against the IPC, or any of its directors, officers, agents, employees or representatives, including the Contact Person, for any reason including but not limited to a reason relating to the RFP process, the evaluation of proposals, a decision to award a contract, a decision not to award a contract and/or a decision to cancel and/or reissue the RFP.

PART B: WORK SCOPE AND DELIVERABLES

Introduction

IPC, in collaboration with Ferus NGF, is proposing to construct a gas processing facility and truck loading terminal for the transport of Liquefied Natural Gas (LNG) from an existing suspended gas well located in the Inuvialuit Settlement Region. The M-18 well is located less than 4 kilometers from the new Inuvik-Tuktoyaktuk Highway (ITH), and approximately 16km south of Tuktoyaktuk, Northwest Territories. If approved, Gas and fuel oil would be trucked from the Gas Processing Facility (GPF) to the communities of Inuvik and Tuktoyaktuk for use in existing distribution systems. This Project is known as the Inuvialuit Energy Security Project (IESP).

IESP regulatory applications, community consultations, and Front-End Engineering and Design are already in progress. Detailed engineering and design for a 4km access road and LNG facilities infrastructure pad (the “Site Works”) is needed prior to the end of 2020. The proposed construction of these site works is currently scheduled for the spring of 2021, under winter conditions and prior to spring thaw and migratory bird season.

IPC is seeking Proposals from qualified Inuvialuit engineering companies to provide engineering design and “Owner’s Engineer” services to support the Site Works.

Scope of Work

IPC requires the services (“Engineering Services”) of a qualified Engineering Company (if selected, the “Contractor”), with proven expertise and experience working in sensitive permafrost conditions in arctic environments in northern Canada. Primary expertise and experience shall be directly relevant to design, construction planning and long-term maintenance of permanent all-weather roads, bridges and foundations (pads/piles) in permafrost conditions. The Engineering Services include but are not limited to: roadway design and geometrics, bridge/culvert structures, infrastructure pads, geotechnical and environmental permafrost considerations, borrow source developments, granular materials and aggregates, detailed drainage design, roadway and pad surfacing, winter construction expertise, and climate change considerations.

The Site Works Construction at or near the wellsite, for which Owners Engineer services will be required, will include:

- interchange development at the Inuvik Tuktoyaktuk Highway (KM Post 128+700)
- an all-weather gravel access road from the ITH to the wellsite (4km), including drainage culverts
- one bridge for the creek crossing, designed for a minimum 1:200-year flood
- an all-weather pad for the well completion (and future servicing) of the TUK M-18 well
- a new and expanded “cap” and drainage route for the existing drilling mud sump at the site
- gravel pads and/or piles for a modular Gas Processing Facility and buildings (approx. 6ha)

- Truck Loading Terminal/turnaround

The interchange, infrastructure pads and access road must be:

- Safe and suitable for use by heavy construction and transport equipment;
- Designed and constructed for protection of permafrost and ease of maintenance;
- Constructed of industry-proven materials and techniques, (experimental or non-proven materials are to be avoided); and,
- Designed and constructed such that environmental impacts are minimized and mitigated through suitable and cost-effective measures.

The existing M-18 Sump must be remediated to industry standards and acceptable to the IPC and its oil and gas industry partners.

IPC has initiated the regulatory processes and completed numerous baseline field studies to support the development of the IESP. With respect to the Site Works, IPC has sponsored or co-sponsored two geotechnical field programs (test-pitting in 2018 and borehole drilling in 2020), 5 environmental field studies (2018) and a detailed field survey (2018) of the Project Area. Based upon these studies and feedback from our initial community and stakeholder consultations, IPC has identified a location for the highway take-off, a road alignment, a stream crossing location, and pad locations. IPC also has preliminary recommendations from these studies and conceptual designs for the Engineering and Design of the Site Works. Based upon our community consultations, IPC is committed to the use of a bridge for the single creek crossing.

IPC now requires specifications and drawings for a Site Works Construction contractor (which will be sourced through a subsequent RFP process) including foundation, load-bearing and drainage designs for the road, bridge and pads, as well as the remediation and drainage control for the existing drilling mud sump. The successful civil design firm will also be expected to provide Owners Engineer services during the Site Works construction.

A map showing the Project Area; the proposed take-off at KP 128+700 of the ITH; the identified road alignment and the location of the well pad, facility pad and existing sump is provided in Part E. The precise locations and alignments will be finalized upon recommendation of the Contractor. A detailed digital terrain map is available and will be provided to the successful Proponent.

General Responsibilities

The Contractor will be responsible for all the activities and resources associated with the Engineering Services, including but not limited to:

- a. Weekly progress reports, incident reports and a final Inuvialuit and local resident content summary report.
- b. Commitment to comply with all Federal, NWT and local regulatory requirements and policies.
- c. Commitment to comply with any ILA and IPC Guidelines and Mitigation Measures.
- d. Commitment to maximize the use of Inuvialuit personnel and Inuvialuit businesses.

The Contractor will be solely responsible for ensuring that the Engineering Services meet the standards and requirements set by the latest edition of all applicable laws, codes; regulatory approvals and associated terms and conditions; guidelines, principles, methodologies, and best practices in the design and construction of infrastructure in permafrost environments including but not limited to CSA and TAC Guidelines.

The Contractor will provide as part of this RFP, a preliminary list of key regulations, guidelines and reference documents applicable to the work scope. Major approvals required for the overall Project, including those from the Environmental Impact Screening Committee, Canada Energy Regulator, Inuvialuit Water Board and Inuvialuit Land Administration are in progress and will be completed by IPC. The Contractor may be called upon to provide information to IPC in support of these regulatory applications.). IPC will provide the Contractor all relevant commitments, terms and conditions related to regulatory approvals as they become available.

Upon award of contract, IPC will provide the following to the successful Proponent:

- a. Digital elevation data from recent LIDAR and 2018 ground survey work;
- b. All previous relevant reports, including geotechnical, environmental and sump investigation reports
- c. Locations of known environmentally sensitive areas, including potential archaeological areas and bear dens;
- d. Chance Find Procedure for archaeological or heritage finds;
- e. Hydrology details on the stream to be crossed; and
- f. Current project specific mitigation measures and permit conditions.

Engineering Services Deliverables

A general outline of Engineering Services deliverables is presented below but should not be considered exhaustive and should not limit the Proponent as to what is presented in their proposal as required work.

- 1. Engineering Basis of Design
- 2. Permit and Consents Register
- 3. Hydrologic Review and Detailed Drainage Plan
- 4. Site Works Construction RFP Documents (90%) for Review with Class C Cost Estimate
- 5. Site Works Construction RFP Documents (100%) for Tender with Class B Cost Estimate
- 6. Owners Engineer Site Works Construction Support Services

1. Engineering Basis of Design

Upon Execution of the Agreement and when directed by IPC, the Contractor will review the existing reports and design requirements for facility and transport, which will be provided by IPC. The Contractor will review the design for remediation and reclamation of the sump, particularly with respect to any proposed drainage designs, which will be provided by IPC.

If feasible, the Contractor will conduct a site visit of the project area including the potential borrow sources, proposed pad locations, access road route, bridge crossing and existing sump to review and document the current conditions, identify information/data gaps, and undertake any necessary investigations.

The Contractor will then prepare a design approach and design criteria that are appropriate for the site, the permafrost and drainage conditions and that achieve the goals of cost-effectiveness, ease of maintenance and environmental protection.

The Engineering Basis of Design will include a section on Innovation and Value Engineering recommendations to help IPC make informed decisions which could result in cost savings.

The Contractor will make the Engineering Basis of Design available to IPC for comment and those comments will be incorporated as much as possible into the options. The Contractor will request from IPC direction to proceed on the basis of the options presented.

2. Permit and Consents Register

The Contractor will provide, within 21 days of the execution of the Agreement, a final list in excel format of key regulations, guidelines and reference documents applicable to the worksite Works scope. As part of the project tender preparations, and prior to January 2021, the Contractor is expected to work with the relevant regulators to develop specific mitigation measures and prepare applications for all components of the Site Works including but not limited to applications to DFO (creek crossing), GNWT (highway intersection), ILA (Quarry/borrow permit), for review by IPC and its designates. Major approvals required for the overall Project are in progress and will be completed by IPC.

3. Hydrologic Review and Detailed Drainage Plan

The importance of good drainage planning and hydrology management cannot be overstated. The integrity of the civil works and the permafrost is considerably dependent upon excellent surface water management. For this reason, experience with drainage planning and surface water management in permafrost is a major criteria for assessment of the Engineering Services team experience. The Contractor will provide a detailed drainage plan which will be incorporated into the Site Works Construction RFP documents. This plan will outline in meter by meter detail how the Site Works

Construction contractor will build pads, crossings and the road in order to minimize ponding, erosion and disruption to the permafrost.

Contractor shall also conduct a hydrologic review to determine the hydraulic requirements for the creek crossing and accordingly design the bridge structure.

4. Site Works Construction RFP Documents (90%) for Review

The Contractor will provide to IPC for review construction specifications and drawings for the ITH take off, roads, bridge, sump and pads, including but not limited to:

- Complete Detailed Design including a Class C cost estimate
- Unit Price Table
- Prepare Issued for Review (IFR) (90%) Drawings and specifications
- Procurement specifications for the construction contract, including schedules

Design Specifications should include:

- Grading Specs, including clearing or “walking down” brush, fill construction, embankment construction, final grading and cleanup
- Borrow and Aggregate production
- Granular Base and sub-base course construction and preparation
- Detailed drainage plans
- Culverts, including precise placement and locations
- Bridge design
- Signage

The Contractor will work with IPC and its designates to incorporate comments into RFP Documents.

5. Site Works Construction RFP Documents (100%) for Issuance

The Contractor will provide Issued for Construction (IFC) (100%) ready for RFP specifications and drawings for the worksite Works including the ITH take off, roads, bridge, sump and pads.

The Final (100%) Construction RFP Documents, ready for tendering, must include:

- Incorporation of all revisions required by IPC’s review of the previous submission;
- Updated Stamped Construction Drawings;
- Updated Construction Specifications;
- Updated Unit Price Table;
- Updated Class “B” Construction Cost Estimate; and
- Written confirmation from the Contractor that the documents are ready to be issued for tender.

6. Owners Engineer Site Works Construction Support Services

RFP Support Services

The Contractor shall provide RFP Support Services during the RFP process and award of the construction contract. RFP Support Services may include responding to technical questions during the RFP process and preparation of draft addenda to RFP Documents.

Site Works Construction Support Services

The Contractor will provide Resident (Full-Time) and Non-Resident (Part-Time) Construction Quality Assurance Support Services, in addition to the Quality Control Services provided by the Contractor, during the anticipated construction period. These services could include, but are not limited to:

- Assurance of quality of materials;
- Measure/estimate quantity of materials;
- Assure specifications, drawings and permit conditions are followed;
- Where deviation from designs is necessary and approved by IPC and the regulator, provide “as-built” drawings; and,
- Sign off on proposed contractor maintenance program.

Post- Site Works Construction Services and Warranty Inspection

At the completion of Site Works Construction, the Contractor will prepare a Site Works_Construction Completion Report summarizing the construction work completed.

The Site Works Construction Completion Report, will include the following:

- Summary of work completed;
- Collection of test results and other Contractor submittals;
- Discussion of construction issues, identification of any areas of concern and recommendations for future maintenance or monitoring (if necessary); and,
- As-built drawings.

The Contractor will also complete an onsite warranty inspection at the end of the Contractor’s warranty period to identify any deficiencies or warranty items requiring correction by the Site Works Construction Contractor.

PART C: SUBMISSION REQUIREMENTS

CONSULTANT QUALIFICATIONS

For the purposes of this work, a qualified consultant must meet the following conditions:

- Has demonstrated experience as a prime consultant for the design and cost estimation of all-season infrastructure pads, roads and bridges in permafrost conditions;
- Has demonstrated that proposed team members are experienced in the design and construction of all-season infrastructure pads, roads and bridges in permafrost conditions;
- Has demonstrated a commitment to ensuring Inuvialuit content in the delivery of the Engineering Services;
- Has demonstrated experience as an Owner's Engineer for the supervision of construction of all-season infrastructure pads, roads and bridges in permafrost conditions;
- Proposed team members must be in good standing and registered with NAPEG or in good standing with APEGA and eligible to register with NAPEG.

RESPONSE CONTENT

As part of the response to this RFP, the respondent shall provide:

1. Proposed Team and Relevant Experience of Team Members including NAPEG registrations
2. Experience of Firm with similar projects
3. Proposed Improvements to Methodology/Scope of Work
4. Proposed Inuvialuit Content, including training opportunities
5. Pricing (Cost Estimate Breakdown)
6. Unit Rates (Form A)
7. Proposed Schedule (Form B)
8. Limitations (including COVID-19 related limitations) and proposed mitigations
9. List of Regulations, Codes, Guidelines, Best Practices, Reference Documents and Potential Permits

Experience of Team members

Experience of the proposed team members will be a significant factor in the evaluation of Proposals. IPC will expect that the firm will provide the proposed team members should they be successful in the contract award. The Contractor should indicate alternate or "back-up" personnel for key positions. For key positions, should neither the "A team" nor the "B team" back-up person be available, the Contractor will be considered in default.

The Proposed Team Members (and their alternates) should be identified in an organization chart, which shows the proposed lines of reporting and/or communication to IPC as well as for the “to be determined” Site Works Construction contractor.

The Proponent should provide a resume for each proposed team member, outlining project examples which show their experience in:

- Borrow source identification and development
- Drainage planning and surface water management in permafrost
- Bridge design and engineering in permafrost environments
- Pad and pile foundation design in permafrost environments
- Construction supervision experience in northern environments
- Permitting experience with DFO and GNWT Department of Infrastructure
- Experience with northern communities and on-the-job training
- Experience in the Inuvialuit Settlement Region

Experience of Firm

The Proponent should provide 3-5 projects with similar scope (northern is preferred but not essential). The description must include a brief description of the project, the role of the firm in the design and/or execution of the project, the innovations brought to the project by the firm which improved the project quality, budget or schedule; and a rough estimate of the savings provided to the project as a result of the firm’s involvement in the project.

Proposed Improvements to RFP

The Proponent should identify any changes to this RFP scope of work, methodology or proposed deliverables which would improve, streamline or better support the project. Emphasis in the Proposal on the project objectives of safety, cost-effectiveness, ease of maintenance of the Site Works, and environmental protection, will be recognized.

Proposed Inuvialuit Content, including training opportunities

The IESP is located entirely on Inuvialuit private land. In respect to the Inuvialuit Final Agreement, IPC require all respondents to identify estimated Inuvialuit dollar content and estimated Inuvialuit personnel content for this RFP. In particular, IPC is looking for innovation in project delivery which may provide training opportunities as part of the work.

Cost Estimate Breakdown

A cost estimate for the work is required. The bidder is expected to provide a cost estimate breakdown in a GANTT or EXCEL format, outlining an estimate and breakdown for the six (6) primary work deliverables:

- Engineering Basis of Design
- Permit and Consents Register
- Hydrologic Review and Detailed Drainage Plan
- Site Works Construction RFP Documents (90%) for Review with Class C Cost Estimate
- Site Works Construction RFP Documents (100%) for Tender with Class B Cost Estimate

Owners Engineer Site Works Construction Support Services The Consultants Cost Estimate Breakdown shall include hourly rates for individual team members, estimate number of hours per person per task and sub task. For the purposes of estimating the construction portion of the project, the consultant shall estimate the number of weeks and seasons of construction.

Unit Rates (Form A)

The bidder is expected to complete Form A, outlining the rates (for the duration of the project) of each person/position identified. The Proponents Rate Sheet (Form A) is to include all disciplines required to complete the work as described.

Proposed Schedule (Form B)

The Proponent should provide a proposed set of dates for the Engineering Services in the Milestone Schedule Form, assuming the following dates:

Award of Contract:	September 11, 2020
Start Design Work:	TBD
Completion of Engineering Design:	December 15, 2020
Site Works Construction Period:	January to April 2021

Limitations (including COVID-19 related requirements) and proposed mitigations

As described in PART A of this RFP, Proponents are responsible for their own awareness of the latest information regarding GNWT requirements relating to COVID-19. Proponents must outline in their proposals the limitations, if any, that GNWT requirements might have on their ability to perform the Engineering Services. Proponents must demonstrate in their proposals how they will address any issues they have identified arising from GNWT COVID-19 requirements. List of Regulations, Codes, Guidelines, Best Practices, Reference Documents and Potential Permits The Contractor will be solely responsible for ensuring that the Work meets the standards and requirements set by latest edition of all applicable laws, codes; regulatory approvals and associated terms and conditions; guidelines, principles, methodologies, and best practices in the design and construction of infrastructure in permafrost environments including but not limited to CSA and TAC Guidelines.

List of Regulations, Codes, Guidelines, Best Practices, Reference Documents and Potential Permits

The Contractor will provide as part of this RFP, a preliminary list of key regulations, codes, guidelines, best practices and reference documents applicable to the civil work scope. This request is intended to assure IPC of the current knowledge of the contractor, and their experience, in providing best practice, strongly compliant work in the region. The contractor will be expected to be highly aware of, and adhere, to the requirements.

PROPOSAL EVALUATION

Proposals will be evaluated on the following criteria:

CRITERIA	POINTS
Proposed Team Experience	30
Experience of Firm	10
Proposed Inuvialuit Content, including training opportunities	15
Proposed Improvements	10
Cost Estimate Breakdown	10
Unit Rates (Form A)	10
Proposed Schedule (Form B)	5
Limitations and proposed mitigations	5
List of Regulations, Codes, Guidelines, Best Practices, Reference Documents and Potential Permits	5
TOTAL POSSIBLE SCORE	100

PART D: PROPOSED RATES AND MILESTONE DATES

FORM A: PROPOSAL RATE SHEET

The Bidder shall provide rates for various services, to be in effect for the duration of the contract, currently expected to include 2020 and 2021. Proposed rates should not include disbursement or taxes.

Professional Services

Class	Description	Rate
E1	Engineer-in-Training	
E2	Assistant Project Engineer / Scientist	
E3	Project Engineer/ Scientist	
E4	Supervisory / Specialist Engineer / Scientist	
E5	Management / Advanced Specialist Engineer / Scientist	
E6	Senior Management / Senior Specialist Engineer / Scientist	

Technical Services

Class	Description	Rate
T1	Technician	
T2	Intermediate Technologist	
T3	Senior Technologist	

Administrative Services

Class	Description	Rate
A1	Student / Junior Administrator / Word Processor	
A2	Senior Administrator / Word Processor	

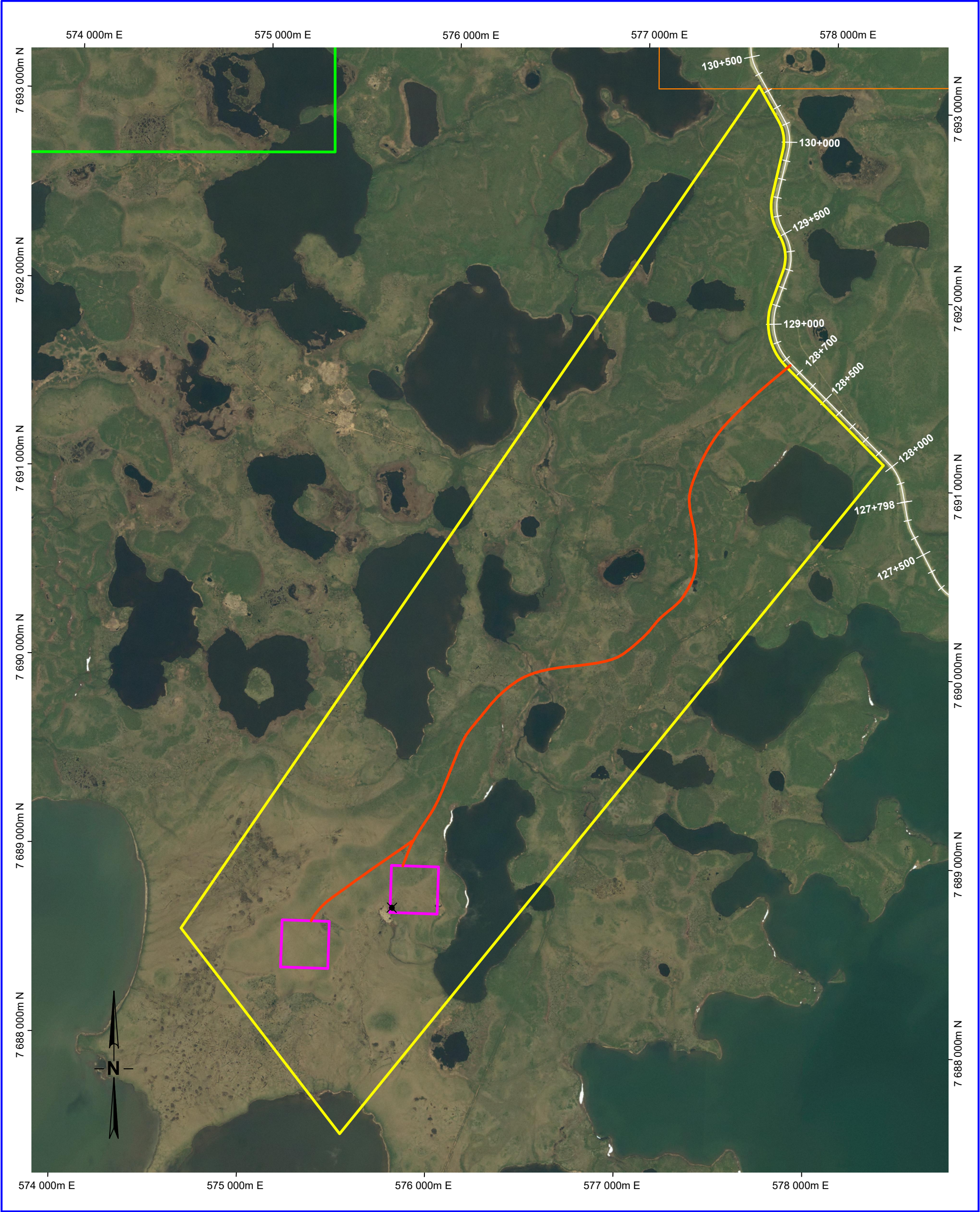
Office Markup on Fees (if any)	%	Per Diem	\$
Markup on Expenses	%	Other (specify)	\$

FORM B: PROPOSED MILESTONE DATES

The Bidder shall fill in their best estimate for the completion of the following milestones, as per descriptions provided in the RFP.

Project Phase	Milestone Completion Date
Award of Contract	11 SEP 2020
Engineering Basis of Design	
Permit and Consents Register	25 SEP 2020
Borrow Pit Permit Application	
DFO Creek Crossing Permit Application	
GNWT Highway Access Permit Application	
Hydrologic Review and Detailed Drainage Plan	
Construction Tender Package – 90% (IFR)	
Construction Tender Documents (100%) (IFC)	15 DEC 2020
Construction Tender Posting and Tender Support Services	
Construction Tender Award	
Owner's Engineer Services	February – April 30, 2021
Post-Construction Services	
Project Closeout	

PART E: LOCAL AREA MAP



LEGEND

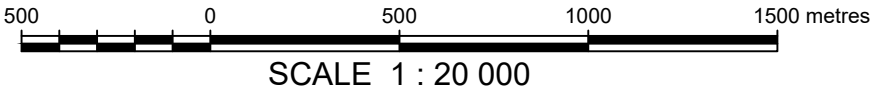
Local Project Area	Highway 10.	
TUK2 Concession	Access Route.	
Tukttoyaktuk Municipal Boundary.	Pad Area (250m x 250m)	
TUK M-18 Well Location.	Chainage Distance.	±128+000

- Well Location obtained from GNWT Petroleum Resources Division.
- Inuvik-Tukttoyaktuk Highway shown as per NRCAN Cadastral database.
- Chainages shown on Highway 10 are distances as measured from Inuvik, NWT
- Datum: North American Datum of 1983
- Projection: UTM NAD 83 Zone 8



INUVIALUIT ENERGY SECURITY PROJECT
PROPOSED SITE WORKS

Within
107/C07 & 107/C08
INUVIALUIT 7(1)(A) LANDS, NORTHWEST TERRITORIES



REVISION TABLE

NO.	DESCRIPTION	DATE	BY
0	ISSUED FOR REVIEW	2020-07-17	LM
1	VARIOUS EDITS	2020-07-17	LM



Drawn/Checked: LM/MGH
Date: 2020-07-17
Scale: 1:20,000
Drawing : 35130-Map-20k
email:vpetushkov@inukshukgeomatics.com

PART F: FORM OF CONTRACT

*This form of contract is provided without prejudice for information of proponents. This form of contract may change prior to award of contract.

CONTRACTOR SERVICES AGREEMENT

This Agreement made effective as of the _____ day of September, 2020 (the “**Effective Date**”).

BETWEEN:

[●] (“**Contractor**”)

- and -

INUVIALUIT PETROLEUM CORPORATION (“IPC”)

(Contractor and IPC sometimes collectively referred to as the “**Parties**” and individually a “**Party**”)

WHEREAS IPC previously issued a request for proposals entitled “Inuvialuit Energy Security Project – Request for Proposals: Site Works Engineering Design and Owners Engineer Support Services” dated August 4, 2020 with cumulative amendments issued by email and on the IPC website on August 6, 2020, August 13, 2020, with the final version issued August 18, 2020 (the “**RFP**”) seeking proposals from qualified engineering company for the completion of certain work (the “**Work**”), which RFP is attached hereto as Schedule “A”;

AND WHEREAS Contractor provided IPC with a response to the RFP dated September [●], 2020 (the “**Response**”) specifying the terms under which it would complete the Work in connection with the RFP, which Response is attached hereto as Schedule “B”;

AND WHEREAS IPC has agreed to engage Contractor to perform the Work and Contractor will have the expertise to perform such Work;

NOW THEREFORE in consideration of the execution of this Agreement and the mutual covenants and agreements contained herein (which each of the Parties acknowledge as being valuable consideration to them) **THE PARTIES AGREE AS FOLLOWS:**

Scope of Work

1. IPC hereby retains Contractor to provide those engineering services as may be required from time to time to facilitate the completion of the Work at the location(s) (the “**Work Site**”), and in accordance with the terms, conditions and requirements, set out in the RFP, as supplemented by the Response, and as may be amended from time to time by written agreement between the Parties (collectively, the “**Scope of Work**”). The terms and conditions including all drawings and other documentation referenced in the Scope of Work and any Exhibits attached thereto shall be incorporated into and form an integral part of this Agreement.
2. Contractor shall, in fulfillment of its duties hereunder, carry out such tasks as may be reasonably requested by IPC in order to complete the Work, it being agreed and

understood that all such duties shall be consistent with the expertise and experience of a qualified engineering company.

3. Contractor understands and agrees that the Work shall not be considered completed until such time that IPC confirms that the Work required pursuant to the Scope of Work has been fully and finally completed (the “**Work Acceptance**”) and that the Work shall be completed by Contractor on or prior to [●], 2020, or such other date as may be agreed to in writing by the Parties (the “**Final Completion Date**”).
4. Contractor shall comply with the reporting requirements set out in Part B of the RFP and shall immediately notify IPC if there are any delays, or any potential delays, which could cause the Work to be completed later than the Final Completion Date.
5. In completing the Work, Contractor shall obey all applicable laws, regulations, rules and standards imposed by any government or other duly constituted public authority having jurisdiction over the Parties to this Agreement or the Work to be performed. Contractor also agrees to comply with safety and security regulations imposed by IPC from time to time.
6. To secure effective cooperation and to deal on a prompt and orderly basis in the administration of this Agreement and the rights and obligations of the Parties hereunder, each Party will appoint its own authorized representatives (“**Authorized Representatives**”) and notify the other Party in writing of changes to such representatives. IPC shall appoint Kate Darling, Special Advisor as its initial Authorized Representative and Contractor shall appoint [●] as its initial Authorized Representative.
7. Unless otherwise specifically agreed to in writing, in the event that any conflict arises between any term or condition contained in this Agreement, the order of precedence for resolving such conflict, from the highest to the lowest, shall be: (a) any executed Change Orders (as defined below); (b) the RFP; (c) this Agreement; (d) the Response.

Changes to the Scope of Work

8. If IPC or Contractor, acting reasonably and in good faith, determines that a change to the Scope of Work (“**Change**”), including any addition to, deletion from, suspension of or other modification to the quality, function or intent of the Scope of Work, is required, then such Change may be authorized by a written order mutually agreed by both Parties and executed by each of their duly authorized officers or directors to implement the Change (“**Change Order**”).
9. As soon as a Party (“**Changing Party**”) becomes aware of circumstances, which necessitate a Change, Changing Party will submit to the other Party a written change order notice, which shall include documentation sufficient to enable the other Party to determine (i) the factors necessitating the possibility of a Change, (ii) the impact which the Change is likely to have on the timely achievement of the Final Completion Date, and (iii) such other information which the other Party may request in connection with such Change (a “**Change Order Notice**”). The other Party shall, within 10 Business Days after receiving any Change Order Notice, respond with approval, disapproval or comments. Contractor shall not delay performing any of other parts of the Scope of Work while negotiating the terms of a Change Order (other than performing parts of the Scope of Work impacted by the proposed Change Order). Once the Parties agree on the final form of a Change Order, the Parties shall execute the Change Order and shall proceed with the Scope of Work as amended, and the Change Order will be added to this Agreement as an addendum. In the event of a conflict

between the terms and conditions of this Agreement and the Change Order, the Change Order shall govern. In the event of a conflict between the terms and conditions between two or more Change Orders, the latest Change Order shall govern.

10. Notwithstanding any provision to the contrary, a failure of Contractor to fully assess the Scope of Work as required and implied by this Agreement shall not be accepted by IPC as a basis for variations to the Final Completion Date.

Warranties and Guarantees

11. Contractor warrants and guarantees that all Work will be free from defects in workmanship and materials. Contractor shall remedy, at Contractor's sole cost, any defects in the Work, provided Contractor is notified by IPC of such defect within 18 months from the date of Work Acceptance. For apparatus, material, and accessories not manufactured by Contractor, Contractor shall obtain such warranties and guarantees as are available from the manufacturers. These manufacturer warranties shall extend over the longest possible period but shall not expire less than one year after the date on which Work Acceptance is issued.
12. Contractor shall perform the Work as required in this Agreement:
 - a) using the care, skill, and diligence normally applied by licensed contractors in the performance of work similar to that contemplated hereunder, and in accordance with sound engineering, procurement and construction practices, as applicable, and generally accepted professional standards, and all applicable requirements of IPC;
 - b) in accordance with the provisions of this Agreement, and in conformity with the Scope of Work; and
 - c) by providing materials and equipment which are new, of good and merchantable quality suitable for their intended use, and free of defects in design, engineering, materials, construction and workmanship and which are in conformity with the requirements of the above clauses of this Section 12.
13. Contractor hereby represents and warrants that it has, and during the Term shall continue to have, the requisite skills and experience necessary to perform the Work in accordance with the terms and conditions of this Agreement.
14. Contractor shall, at all times during the Term, act in the best interests of IPC and shall perform the Work in a competent, good workmanlike and professional manner using due care and diligence.
15. IPC or its representatives shall be entitled to inspect the work at all reasonable times during regular business hours, or at a mutually agreeable time after regular business hours. Contractor shall provide IPC with access and sufficient, safe and proper facilities for inspection of the Work by IPC.

Liens

16. Contractor warrants and guarantees that it shall not allow any liens to be imposed by a third party against any (i) any assets of IPC, or (ii) assets on the Work Site that shall be incorporated in the Work.

17. If at any time there should be evidence of any lien or claim for which IPC might become liable and which is attributable to Contractor, IPC shall have the right to retain out of any payment to Contractor an amount sufficient to completely indemnify IPC against (i) such lien or claim, and (ii) any costs incurred by IPC, including legal fees on a solicitor and client basis, in relation to any such lien or claim. To the extent that retained amounts are insufficient to indemnify IPC, Contractor will indemnify, defend and hold IPC harmless from and against any liens, claims, security interests or encumbrances related to the Work.
18. If requested by IPC, prior to payment of any invoice to Contractor, IPC may request that Contractor submit such information, documents or other materials as it may reasonably require in order to protect IPC from mechanics' or similar liens or claims.

Title and Risk of Loss

19. Title for all materials, equipment and supplies incorporated into the Work shall remain with IPC at all times during and after expiry of the Term.
20. Risk of loss for all materials, equipment and supplies incorporated into the Work shall remain with Contractor until date of Work Acceptance.

Relationship of Parties

21. Contractor agrees that it is performing the Work hereunder as an independent contractor and not as an employee, agent, or partner of IPC and nothing in this Agreement is intended to, nor does, create an employment, agency, partnership or joint venture relationship between Contractor and IPC.
22. Contractor understands and agrees that it has no authority to conclude any agreement of any kind on behalf of IPC nor incur any liability on behalf of IPC, and Contractor further agrees that it will not represent to any third party that it has the power to do so, except as authorized by IPC in writing.
23. Contractor shall in the performance of the Work report to and be accountable to the IPC Authorized Representatives.

Contractor's Personnel

24. Contractor shall:
 - a) be solely responsible for its personnel and for all subcontractor's personnel required for the performance of the Work and completion of the Scope of Work;
 - b) not permit any personnel who have not received appropriate HSE training to perform the Work on a Work Site; and
 - c) not subcontract:
 - (i) any part of the Scope of Work to a third party without the prior written permission of IPC;
 - (ii) all of its responsibilities for overseeing the completion of the Scope of Work; or

- (iii) any part of the Scope of Work to a third party that does not have the appropriate expertise, insurance, HSE training or other qualifications required to perform the Work hereunder;
 - (iv) any part of the Scope of Work to a third party without making that subcontracting opportunity available to relevant members of the Inuvialuit Business List.
25. Contractor agrees that it shall provide adequate and competent supervision and that it is fully qualified, staffed and equipped to perform the Work. If Work is performed at a Work Site, Contractor also acknowledges that IPC, may carry out additional operations not covered by this Agreement near or on the Work Site and agrees it shall cooperate fully with IPC or such other contractors on the Work Site in order to coordinate the performance of the Work with such additional operations.
26. If Work is performed at a Work Site, IPC may at its sole discretion direct Contractor to refrain from using any particular individual to perform Work or some of them hereunder.

Safety and Compliance with Law

27. If Work is performed at a Work Site, Contractor shall (i) review and understand the Work Site safety management plan, and (ii) participate in a Work Site orientation prior to the commencement of the Work.
28. During the Term, Contractor shall be responsible and accountable for compliance with all applicable environmental, health and safety regulations, work practices and procedures prescribed by law, by IPC as may be applicable.
29. If any incident or accident occurs on a Work Site Contractor shall immediately implement all necessary emergency procedures and immediately report the matter to the IPC Authorized Representative(s) at such telephone or other numbers as are provided to Contractor by IPC from time to time. Contractor shall forthwith provide a detailed written report to IPC of the particulars of the incident, accident or escape and at all times, shall cooperate with IPC with respect to any investigations regarding the matter, internal or otherwise.
30. Contractor shall comply with all safety policies and directives of IPC and its affiliates, as applicable, in effect from time, as amended from time to time and made available to Contractor.

Permits

31. Contractor shall obtain and pay for all permits required for the completion of the Scope of Work which are usual and necessary and agrees to observe and comply with any and all terms and conditions imposed upon it by any such permit.

Fees and Payments

32. Contractor agrees to invoice IPC in accordance with the following payment provisions:
- a) Subject to the terms of the Scope of Work, Contractor shall submit within 30 days of Work Acceptance an invoice to IPC based on the agreed upon cost and pricing terms set forth in the Scope of Work. If Work is completed on a monthly contract basis the Contractor

shall submit invoices monthly on the last day of each month stating the total number of hours of Work performed during such month. All invoices shall be accompanied by such supporting documentation as IPC may reasonably require from time to time, including: (A) a summary of fees, costs and expenses payable by IPC in respect of the invoice, (B) copies of statements or receipts for pre-approved expenses, and (C) a statement of applicable taxes. IPC shall pay to Contractor appropriately invoiced amounts within 30 days of receipt of the applicable invoice.

b) Contractor agrees that any and all amounts on account of taxes (income or otherwise), pension plan contributions, unemployment insurance contributions or any other applicable withholding taxes or payments payable to any government or other public authority by virtue of any law, rule or regulation in respect of any fees paid to Contractor pursuant to the provisions of this Agreement, are Contractor's responsibility and shall be paid by Contractor. Should IPC be obligated by law to make any payment or withholdings in respect of the Work, Contractor hereby acknowledges that IPC shall have the authority to make such payments or withholdings, and to deduct such amounts from fees payable to Contractor under this Agreement. Contractor hereby agrees to indemnify and hold IPC harmless from and against any and all actions, claims, damages, costs and expenses whatsoever which may be brought against or suffered or incurred by IPC, or which IPC may incur, sustain or pay, arising out of or in any way connected with any remittances required by law in any jurisdiction in which the Work are being provided.

c) Except for fees and expenses specifically set out and provided for in the Scope of Work or as otherwise agreed to in writing by the Parties, all invoices for any other fees or expenses will not be payable by IPC unless IPC has given its prior written consent to Contractor to incur such other fees or expenses.

d) All invoices shall be addressed as follows:

Inuvialuit Petroleum Corporation
Bag Service #21
Inuvik, NT X0E 0T0

Email: kdarling@inuvialuit.com
Attention: Kate Darling, Special Advisor

Term and Termination

33. This Agreement shall commence on the Effective Date and shall continue thereafter until Work Acceptance has been issued (the "**Term**") subject only to any early termination of this Agreement pursuant to Sections 34 and 35 below.
34. Upon the occurrence of any one or more of the following events, at the sole election of IPC and without further notice to Contractor, the rights and obligations of Contractor under this Agreement will be deemed terminated: should any fraud be perpetrated by Contractor or, with the knowledge of it, any representation, warranty or statement made by or on behalf of Contractor to IPC be untrue in any material respect on the date as of which made; should any negligent act or omission be carried out or made by Contractor in connection with its completion of the Work; or Contractor is in default of its obligations under this Agreement and such default is not cured within 5 days following written notification from IPC.

35. This agreement shall terminate at the earlier of:

- a) the end of the Term, unless otherwise renewed by the parties; or
- b) immediately, upon (i) a petition for bankruptcy is filed by or against Contractor; (ii) Contractor is adjudged a bankrupt; (iii) Contractor makes a general assignment for the benefit of creditors; or (iv) a receiver is appointed on account of the insolvency of Contractor.

IPC agrees to pay to Contractor those fees earned, and those reimbursable expenses and costs incurred, by Contractor under this Agreement up to the date of termination thereof.

36. Upon termination of this Agreement as set out above, the parties shall thereafter have no further obligations to each other under this Agreement except that the provisions under the headings "Confidentiality", "Ownership of Information", "Indemnity" and "Relationship of Parties" shall survive the termination of this Agreement and remain in full force and effect thereafter.

Confidentiality

37. Each Party agrees and covenants that all information related to this Agreement and the Contractor's completion of the Work hereunder will be considered as, and treated as, confidential and proprietary information. All such information shall be the exclusive property of IPC. Contractor shall not disclose any confidential information to any third party without the prior written consent of IPC.

Ownership of Information

38. All materials, drawings, specifications and other information of any kind whatsoever developed, provided to or obtained by Contractor in performing the Work shall be the property of IPC. Contractor shall inform IPC of all such materials and information and shall, upon request from IPC, deliver all such materials and information to IPC.

Indemnity

39. Each Party (the "**Indemnifying Party**") shall be liable for and indemnify and save harmless the other Party (the "**Indemnified Party**") from any and all actions, suits, claims and costs in respect of injury or sickness, disease or death of any person or loss of or damages to any property, which may be brought against the Indemnified Party by third parties, including employees of said third parties, and employees of the Indemnifying Party, which are directly related to or arise from (a) the breach or non-compliance with any term or provision of this Agreement by the Indemnifying Party, its affiliates, agents or subcontractors (collectively "**Related Parties**") or (b) any negligent act, omission, default or representation, reckless misconduct or willful misconduct of the Indemnifying Party or its Related Parties that in any way relates to or is a result of the Indemnifying Party's performance of its obligations under this Agreement.

Insurance and Related Provisions

40. Contractor shall obtain and maintain throughout the Term at its own expense, with financially reputable insurers acceptable to IPC, the following insurance coverage:
- a) a comprehensive commercial general liability policy for bodily injury, death and property damage, in a minimum amount of **\$5,000,000** per occurrence;
 - b) Automobile liability insurance on all owned, leased, non-owned or hired vehicles, which are to be used in the course of providing the Work, with an inclusive limit of not less than **\$3,000,000** per occurrence in respect of bodily injury to or death of persons, and loss or damage to property of persons;
 - c) Employer's liability insurance with minimum limits of **\$1,000,000** per occurrence; and
 - d) Any additional or other insurances that, firstly, may be required from time to time by law or, secondly, that IPC may reasonably deem necessary.
41. Before the Work commences, and from time to time thereafter at IPC's request, Contractor will provide IPC with certificates of insurance evidencing that the aforementioned policies are in full force and effect. Any acceptance by IPC of such certificates will not relieve Contractor from any liability which may be incurred in the course of performing the Work, including liability claims in excess of those coverage limits described above. Each insurance policy obtained by Contractor will name IPC as an "additional insured", and each policy will expressly provide that it will not be subject to cancellation or material change without at least 30 days prior written notice to IPC.

Laws

42. This Agreement shall be interpreted, and the legal relations of the Parties hereto, shall be governed in accordance with the laws of the province of the Northwest Territories and the federal laws of Canada applicable therein excluding any conflict of laws, principles or rules that would impose a law of another jurisdiction for the construction and interpretation of this Agreement.
43. Both Contractor and IPC further agree that unless this Agreement is terminated in accordance with the provisions herein, Contractor will continue to perform the Work as may be required by IPC notwithstanding a dispute has arisen.

Notice

44. Any notice given pursuant to the terms and conditions of this Agreement shall be served by way of ordinary pre-paid first class mail, or by way of facsimile or electronic transmission, addressed as follows:

TO IPC:

Inuvialuit Petroleum Corporation
Bag Service #21
Inuvik, NT X0E 0T0
Attention: Kate Darling
Email: kdarling@inuvialuit.com

TO CONTRACTOR: [●]

Attention: [●]

Email: [●]

Notice shall be deemed to have been delivered four days after the date of mailing or within 24 hours after the sending of a facsimile. Either Party may change the particulars of its address for service as set out above by notice to the other Party.

Time

45. Time is of the essence in this Agreement.

Severability

46. If any term, covenant or condition of this Agreement or the application thereof to any person or circumstances shall, to any extent be invalid or unenforceable the remainder of this Agreement or application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and shall be enforceable to the fullest extent permitted by law.

Enurement, Assignment, Amendments and Counterpart Execution

47. Neither Contractor nor IPC shall be entitled to assign this Agreement without the prior written consent of the other Party. This Agreement is binding upon the successors and permitted assigns of the Parties.
48. This Agreement represents the only agreement between the Parties with respect to the subject matter referred to herein. This Agreement supersedes any and all prior agreements or understandings between IPC and Contractor, whether written, oral or otherwise.
49. Any amendment to this Agreement must be in writing and signed by the Parties hereto.

Interpretation

50. Words importing the singular number only include the plural and vice versa.
51. The division of this Agreement into Sections and Schedules and the insertion of headings are for convenience of reference only and shall not affect the interpretation of this Agreement.
52. In this Agreement, the words "including", "includes" and "include" mean "including (or includes or include) without limitation". The terms "herein", "hereto", "hereof", "hereunder", "hereby" and similar terms mean and refer to this Agreement and not, unless a particular provision is expressly stipulated, to any particular provision, and the terms "Article", "section" and "Schedule" followed by a number, letter or character or combination thereof mean and refer to the specified Article, section or Schedule of or to this Agreement.
53. "Business Day" means any day other than Saturday, Sunday or a day when commercial banks are not open for business in Calgary, Alberta or Whitehorse, Northwest Territories.

54. Except as otherwise provided in this Agreement:
- a) any reference in this Agreement to a statute shall include and shall be deemed to be a reference to such statute and to the regulations, policies and rules made pursuant thereto, with all amendments made thereto and in force from time to time, and to any statute, regulation, policy or rule that may be passed which has the effect of supplementing or superseding the statute so referred to or the regulations, policies or rules made pursuant thereto; and
 - b) any reference in this Agreement to an agreement refers to such agreement as amended, restated, supplemented or replaced from time to time.
55. The Schedules attached to this Agreement form an integral part of it for all purposes of it.

[Remainder of Page Intentionally Left Blank]

56. This Agreement, and any amendment hereto, may be executed in one or more counterparts, each of which shall be deemed an original, and shall become a binding agreement when each of the Parties hereto shall have executed and delivered a counterpart of this Agreement or amendment, as the case may be, to the other Party.

INUVIALUIT PETROLEUM CORPORATION

By: _____

Name: _____

Title: _____

【●】

By: _____

Name: _____

Title: _____

SCHEDULE "A"
REQUEST FOR PROPOSALS

(See Attached)

SCHEDULE "B"

RESPONSE

(See Attached)