



REQUEST FOR PROPOSALS

Title: HOUSE RENTAL
PROPERTY MANAGEMENT SERVICES

Reference No.: 1220-030-2013-010

FOR PROFESSIONAL SERVICES

RDO Issue Date: March 05, 2013

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REQUEST FOR PROPOSALS

1. INTRODUCTION

1.1 Purpose

The purpose of this RFP is to select a service provider (or service providers) to perform the services (“**Services**”) described in Schedule A.

1.2 Definitions

In this RFP the following definitions shall apply:

“**BC Bid Website**” means www.bcbid.gov.bc.ca;

“**City**” means the City of Surrey;

“**City Representative**” has the meaning set out in section 2.6;

“**City Website**” means www.surrey.ca;

“**Closing Time**” has the meaning set out in section 2.1;

“**Contract**” means a formal written contract between the City and a Preferred Proponent to undertake the Services, the preferred form of which is attached as Schedule B;

“**Evaluation Team**” means the team appointed by the City;

“**Information Meeting**” has the meaning set out in section 2.2;

“**Preferred Proponent(s)**” means the Proponent(s) selected by the Evaluation Team to enter into negotiations for a Contract;

“**Proponent**” means an entity that submits a Proposal;

“**Proposal**” means a proposal submitted in response to this RFP;

“**RFP**” means this Request for Proposals;

“**Services**” has the meaning set out in Schedule A;

“**Site**” means the place or places where the Services are to be performed; and

“**Statement of Departures**” means Schedule C-1 to the form of Proposal attached as Schedule C.

2. INSTRUCTIONS TO PROPONENTS

2.1 Closing Time and Address for Proposal Delivery

The Proposals must be submitted to the City at the office of:

Name: Kam Grewal, CMA, BBA
Corporate Audit Manager
Acting Manager Purchasing & Accounts Payable
at the following location:

Address: City of Surrey, City Operations Works Yard
Purchasing Section, 1st Floor
6645 – 148 Street
Surrey, BC V3S 3C7

on or before the following date and time (the “Closing Time”):

Time: 3:00 p.m. local time
Date: April 2, 2013

2.2 Information Meeting

An information meeting may be hosted by the City Representative to discuss the City's requirements under this RFP (the “**Information Meeting**”). While attendance is at the discretion of Proponents, Proponents who do not attend will be deemed to have attended the Information Meeting and to have received all of the information given at the Information Meeting. At the time of issuance of this RFP a meeting has not been scheduled.

2.3 Number of Copies

The Proponent should submit one original unbound Proposal and one (1) copy (two (2) in total). **Faxed or e-mailed copies of Proposals will not be accepted.**

2.4 Late Proposals

Proposals received after the Closing Time will not be accepted or considered. Delays caused by any delivery, courier or mail service(s) will not be grounds for an extension of the Closing Time.

2.5 Amendments to Proposals

Proposals may be revised by written amendment, delivered to the location set out in Section 2.1, at any time before the Closing Time but not after. An amendment must be signed by an authorized signatory of the Proponent in the same manner as provided by section 3.3. Faxed or PDF e-mailed amendments are permitted, but such amendment may

show only the change to the proposal price(s) and in no event disclose the actual proposal price(s). A Proponent bears all risk that the City's equipment functions properly so as to facilitate timely delivery of any amendment.

2.6 Inquiries

All inquiries related to this RFP should be directed in writing to the person named below (the "**City Representative**"). Information obtained from any person or source other than the City Representative may not be relied upon.

Name: Kam Grewal, CMA, BBA
Corporate Audit Manager
Acting Manager Purchasing & Accounts Payable
at the following location:

Address: City of Surrey, City Operations Works Yard
Purchasing Section, 1st Floor
6645 – 148 Street
Surrey, BC V3S 3C7

Fax: 604-599-0956
E-mail : purchasing@surrey.ca
Reference No.: 1220-030-2013-010

Inquiries should be made no later than 7 business days before Closing Time. The City reserves the right not to respond to inquiries made within 7 business days of the Closing Time. Inquiries and responses will be recorded and may be distributed to all Proponents at the discretion of the City.

Proponents finding discrepancies or omissions in the Contract or RFP, or having doubts as to the meaning or intent of any provision, should immediately notify the City Representative. If the City determines that an amendment is required to this RFP, the City Representative will issue an addendum in accordance with section 2.7. No oral conversation will affect or modify the terms of this RFP or may be relied upon by any Proponent.

2.7 Addenda

If the City determines that an amendment is required to this RFP, the City Representative will issue a written addendum by posting it on the BC Bid Website at www.bcbid.gov.bc.ca (the "**BC Bid Website**") and the City Website at www.surrey.ca (the "**City Website**") that will form part of this RFP. It is the responsibility of Proponents to check the BC Bid Website and the City Website for addenda. The only way this RFP may be added to, or amended in any way, is by a formal written addendum. No other communication, whether written or oral, from any person will affect or modify the terms of this RFP or may be relied upon by any Proponent. By delivery of a Proposal,

Proponent is deemed to have received, accepted and understood the entire RFP, including any and all addenda.

2.8 Examination of Contract Documents and Site

Proponents will be deemed to have carefully examined the RFP, including all attached Schedules, the Contract and the Site (as applicable) prior to preparing and submitting a Proposal with respect to any and all facts which may influence a Proposal.

2.9 Opening of Proposals

The City intends to open Proposals in private but reserves the right to open Proposals in public at its sole discretion.

2.10 Status Inquiries

All inquiries related to the status of this RFP, including whether or not a Contract has been awarded, should be directed to the City Website and not to the City Representative.

3. PROPOSAL SUBMISSION FORM AND CONTENTS

3.1 Package

Proposals should be in a sealed package, marked on the outside with the Proponent's name, title of the project and reference number 1220-030-2013-010.

3.2 Form of Proposal

Proponents should complete the form of Proposal attached as Schedule C, including Schedules C-1 to C-5. Proponents are encouraged to respond to the items listed in Schedules C-1 to C-5 in the order listed. Proponents are encouraged to use the forms provided and attach additional pages as necessary.

3.3 Signature

The legal name of the person or firm submitting the Proposal should be inserted in Schedule C. The Proposal should be signed by a person authorized to sign on behalf of the Proponent and include the following:

- (a) If the Proponent is a corporation then the full name of the corporation should be included, together with the names of authorized signatories. The Proposal should be executed by all of the authorized signatories or by one or more of them provided that a copy of the corporate resolution authorizing those persons to execute the Proposal on behalf of the corporation is submitted;
- (b) If the Proponent is a partnership or joint venture then the name of the partnership or joint venture and the name of each partner or joint venturer should be

included, and each partner or joint venturer should sign personally (or, if one or more person(s) have signing authority for the partnership or joint venture, the partnership or joint venture should provide evidence to the satisfaction of the City that the person(s) signing have signing authority for the partnership or joint venture). If a partner or joint venturer is a corporation then such corporation should sign as indicated in subsection (a) above; or

- (c) If the Proponent is an individual, including a sole proprietorship, the name of the individual should be included.

4. EVALUATION AND SELECTION

4.1 Evaluation Team

The evaluation of Proposals will be undertaken on behalf of the City by the Evaluation Team. The Evaluation Team may consult with others including City staff members, third party consultants and references, as the Evaluation Team may in its discretion decide is required. The Evaluation Team will give a written recommendation for the selection of a Preferred Proponent or Preferred Proponents to the City.

4.2 Evaluation Criteria

The Evaluation Team will compare and evaluate all Proposals to determine the Proponent's strength and ability to provide the Services in order to determine the Proposal which is most advantageous to the City, using the following criteria:

(a) Experience, Reputation and Resources

The Evaluation Team will consider the Proponent's responses to items (i) to (viii) in Schedule C-2.

(b) Technical

The Evaluation Team will consider the Proponent's responses to Schedule C-4 and items (i) to (xvi) in Schedule C-3.

(c) Financial

The Evaluation Team will consider the Proponent's response to Schedule C-5.

(d) Statement of Departures

The Evaluation Team will consider the Proponent's response to Schedule C-1.

The Evaluation Team will not be limited to the criteria referred to above, and the Evaluation Team may consider other criteria that the team identifies as relevant during the evaluation process. The Evaluation Team may apply the evaluation criteria on a comparative basis, evaluating the Proposals by comparing one Proponent's Proposal to

another Proponent's Proposal. All criteria considered will be applied evenly and fairly to all Proposals.

4.3 Discrepancies in Proponent's Financial Proposal

If there are any obvious discrepancies, errors or omissions in Schedule C-5 of a Proposal (Proponent's Financial Proposal), then the City shall be entitled to make obvious corrections, but only if, and to the extent, the corrections are apparent from the Proposal as submitted, and in particular:

- (a) if there is a discrepancy between a unit price and the extended total, then the unit prices shall be deemed to be correct, and corresponding corrections will be made to the extended totals;
- (b) if a unit price has been given but the corresponding extended total has been omitted, then the extended total will be calculated from the unit price and the estimated quantity;
- (c) if an extended total has been given but the corresponding unit price has been omitted, then the unit price will be calculated from the extended total and the estimated quantity.

4.4 Litigation

In addition to any other provision of this RFEOI/SOQ, the City may, in its absolute discretion, reject a Submission if the Respondent, or any officer or director of the Respondent submitting the Submission, is or has been engaged directly or indirectly in a legal action against the City, its elected or appointed officers, representatives or employees in relation to any matter, or if the City has initiated legal action.

In determining whether or not to reject a Proposal under this section, the City will consider whether the litigation is likely to affect the Proponent's ability to work with the City, its consultants and representatives and whether the City's experience with the Proponent indicates that there is a risk the City will incur increased staff and legal costs in the administration of the Contract if it is awarded to the Proponent.

4.5 Additional Information

The Evaluation Team may, at its discretion, request clarifications or additional information from a Proponent with respect to any Proposal, and the Evaluation Team may make such requests to only selected Proponents. The Evaluation Team may consider such clarifications or additional information in evaluating a Proposal.

4.6 Interviews

The Evaluation Team may, at its discretion, invite some or all of the Proponents to appear before the Evaluation Team to provide clarifications of their Proposals. In such

event, the Evaluation Team will be entitled to consider the answers received in evaluating Proposals.

4.7 Multiple Preferred Proponents

The City reserves the right and discretion to divide up the Services, either by scope, geographic area, or other basis as the City may decide, and to select one or more Preferred Proponents to enter into discussions with the City for one or more Contracts to perform a portion or portions of the Services. If the City exercises its discretion to divide up the Services, the City will do so reasonably having regard for the RFP and the basis of Proposals.

In addition to any other provision of this RFP, Proposals may be evaluated on the basis of advantages and disadvantages to the City that might result or be achieved from the City dividing up the Services and entering into one or more Contracts with one or more Proponents.

4.8 Negotiation of Contract and Award

If the City selects a Preferred Proponent or Preferred Proponents, then it may:

- (a) enter into a Contract with the Preferred Proponent(s); or
- (b) enter into discussions with the Preferred Proponent(s) to attempt to finalize the terms of the Contract(s), including financial terms, and such discussions may include:
 - (1) clarification of any outstanding issues arising from the Preferred Proponent's Proposal;
 - (2) negotiation of amendments to the departures to the draft Contract, if any, proposed by the Preferred Proponent as set in Schedule C-1 to the Preferred Proponent's Proposal; and
 - (3) negotiation of amendments to the Preferred Proponent's price(s) as set out in Schedule C-5 to the Preferred Proponent's Proposal and/or scope of Services if:
 - (A) the Preferred Proponent's financial Proposal exceeds the City's approved budget, or
 - (B) the City reasonably concludes the Preferred Proponent's financial proposal includes a price(s) that is unbalanced, or
 - (C) a knowledgeable third party would judge that the Preferred Proponent's price(s) materially exceed a fair market price(s) for services similar to the Services offered by the Preferred Proponent as described in the Preferred Proponent's Proposal; or
- (c) if at any time the City reasonably forms the opinion that a mutually acceptable agreement is not likely to be reached within a reasonable time, give the Preferred Proponent(s) written notice to terminate discussions, in which event the City may then either open discussions with another Proponent or terminate this RFP and retain or obtain the Services in some other manner.

5. GENERAL CONDITIONS

5.1 No City Obligation

This RFP is not a tender and does not commit the City in any way to select a Preferred Proponent, or to proceed to negotiations for a Contract, or to award any Contract, and the City reserves the complete right to at any time reject all Proposals, and to terminate this RFP process.

5.2 Proponent's Expenses

Proponents are solely responsible for their own expenses in preparing, and submitting Proposals, and for any meetings, negotiations or discussions with the City or its representatives and consultants, relating to or arising from this RFP. The City and its representatives, agents, consultants and advisors will not be liable to any Proponent for any claims, whether for costs, expenses, losses or damages, or loss of anticipated profits, or for any other matter whatsoever, incurred by the Proponent in preparing and submitting a Proposal, or participating in negotiations for a Contract, or other activity related to or arising out of this RFP.

5.3 No Contract

By submitting a Proposal and participating in the process as outlined in this RFP, Proponents expressly agree that no contract of any kind is formed under, or arises from, this RFP, prior to the signing of a formal written Contract.

5.4 Conflict of Interest

A Proponent shall disclose in its Proposal any actual or potential conflicts of interest and existing business relationships it may have with the City, its elected or appointed officials or employees. The City may rely on such disclosure.

5.5 Solicitation of Council Members, City Staff and City Contractors

Proponents and their agents will not contact any member of the City Council, City staff or City contractors with respect to this RFP, other than the City Representative named in section 2.6, at any time prior to the award of a contract or the cancellation of this RFP.

5.6 Confidentiality

All submissions become the property of the City and will not be returned to the Proponent. All submissions will be held in confidence by the City unless otherwise required by law. Proponents should be aware the City is a "public body" defined by and subject to the *Freedom of Information and Protection of Privacy Act* of British Columbia.

SCHEDULE A – SCOPE OF SERVICES

1. GENERAL

In extending an RFP to property management firms, the City has the expectation that the Proponent will bring to bear all relevant work experience, professionalism and integrity to the performance of the proposed scope of Services, personnel to be assigned and the development of appropriate level of compensation for the Services to be provided. The City of Surrey (the “City”) invites proposals from professional property management firms to rent and manage the various City properties, as listed in Schedule A-1 – Properties.

Note: The Properties as set out in Schedule A-1 – Properties are included for information purposes only. The City may from time to time, make changes to this Properties list. Therefore, the Fees payable to the successful Proponent will be increased or decreased by written agreement of the City and the successful Proponent according to the rates set out in Schedule C-5 – Proponent’s Financial Proposal.

Before beginning any of the following scope of Services, the successful Proponent shall meet with the City’s Realty Asset Manager to verify project requirements, available background information, schedule, budget constraints, payment procedures and any other property issues.

2. SCOPE OF SERVICES

The successful Proponent shall perform the following basic Services under an agreement, including:

- (a) to use its reasonable efforts to rent the properties on a month-to-month basis, including but not limited to, placing advertisements, showing the properties to prospective tenants, processing tenant applications, reviewing previous references, and checking credit rating of the prospective tenant;
- (b) to collect the monthly rentals, damage deposits and other amounts due from the tenants from time to time. All receipts (save and excepting the Proponent’s fees and any amounts that may be due and owing to the Proponent shall be maintained separate from the Proponent’s own funds. The Proponent will maintain 2 bank accounts in trust for the City – one for damage deposits received from the tenants and another for all other receipts. Any rentals which cannot be collected shall be placed with a collection agency to be approved by the City. The Proponent shall not be responsible for any amounts that it cannot collect;
- (c) to receive and to resolve all disputes with tenants and to generally act as would a reasonable and prudent landlord, including non-payment of rent and arbitrator hearings;
- (d) to provide the City with two hard copies and a soft copy (in Microsoft Excel) of monthly statement of receipts and disbursements, and hard copies of any

invoices or other accounts paid out on account of the City incurred in connection with the properties on the 15th of each month and to remit all the excess cash flow including interest on the same day;

- (e) to provide the City with monthly bank reconciliation reports for both bank accounts of the City's held in trust by the Proponent;
- (f) to pay for miscellaneous expenses from the rental receipts up to a maximum of \$500 without prior written authorization;
- (g) to pay, from the rental receipts, miscellaneous expenses from \$500 to \$1,000 with prior written authorization from the City. The City shall approve all expenses over \$1,000 and the contractors retained by the proponent shall directly send their invoices to the City for the payment of those expenses;
- (h) to provide reasonable 24 hour emergency response for repair services to the properties and immediately request the City to conduct the necessary repair works;
- (i) the Proponent confirms that each of its licenses participates in the "Real Estate Special Compensation Fund" administered by the Real Estate Compensation Fund Corporation (RECFC). Each licenced employee of the Proponent has, and shall maintain \$1,000,000 of Errors & Omissions insurance coverage and the Proponent will maintain a \$3,000,000 general liability insurance policy;
- (j) as approved the by City, to retain such contractors, workmen and servicemen to maintain the properties, as would a reasonable and prudent landlord, to conduct the works which cannot be done by the City under (h) above. The costs incurred by these works and services shall be deducted from the rents collected pursuant to (b) above. All contractors retained to work on City properties require the following:
 - i. City of Surrey Business License
 - ii. Current Workers' Compensation Board coverage, and
 - iii. \$5,000,000 Commercial General Liability Insurance
- (k) to set the rental rate for the properties at an appropriate market rental or as the City may from time to time direct;
- (l) to inspect the properties for damages upon the tenants vacating the property and to manage and account for damage deposits and any accrued interest;
- (m) to receive and manage in accordance with the Residential Tenancy Act security deposits paid by tenants and retain in a trust account to be set up specifically for the said purpose;

- (n) in the event the Proponent is of the view that an urgent situation exists whereby the tenancy might be jeopardized or that the tenant shall be without any necessary item or convenience or in the event that an emergency repair or replacement is required, the Proponent is authorized as the agent of the City to approve expenditures required to make any repairs or replacements to the properties or any part thereof, provided that the Proponent shall make reasonable attempt to contact the City, giving the City an opportunity to decide whether the emergency works can be conducted by the City, before such works and services are conducted. The costs so incurred shall be deducted from the rents collected pursuant to (d) above;
- (o) to conduct property inspection at the request of the City from time to time before the City acquires an additional property, and to advise the City on all rental matters;
- (p) for repairs with an estimated cost of \$5,000 or less, the Proponent will be responsible to oversee these repairs at no additional cost;
- (q) for repairs with an estimated cost in excess of \$5,000 or less, the Proponent may be authorized to charge a fee of 5% of the cost. The City reserves the right to directly co-ordinate these repairs;
- (r) to meet with the City on a twice yearly basis to review the City's residential rental portfolio; and
- (s) to allow the City to inspect all the books and records pertaining to this Service in accordance with the standard accounting and auditing practice.

3. PRICING

Pricing to include all items described within the scope of Services, with pricing valid for the project duration. Taxes to be identified as separate line items.

4. DRAFT AGREEMENT

The successful Proponent is expected to enter into an House Rental Property Management Agreement. Schedule B includes a copy of the draft agreement.

SCHEDULE A-1 - PROPERTIES

Note: This Schedule A-1 – Properties is being provided for information purposes. This list of Properties is subject to change at any time. The City may from time to time add properties to or delete properties.

1	5811 - 176A Street	39	6906 - 132 Street
2	10353 - 144 Street	40	17662 - 20 Avenue
3	12175 - 80 Avenue	41	1832 - 176 Street
4	10212 - 141 Street	42	1862 - 176 Street
5	13721 - 70 Avenue	43	1798 - 177 Street
6	10635 - 140 Street	44	1962 - 176 Street
7	8055 - 156 Street	45	1836 - 176 Street
8	10645 - 140 Street	46	13697 - 70 Avenue
9	17765 - 16 Avenue	47	17080 - 26 Avenue
10	7036 - 136B Street	48	7016 - 136B Street
11	5202 - 168 Street	49	17737 - 16 Avenue
12	13732 - 70A Avenue	50	15251- 17A Avenue
13	1668 - 177 Street	51	10553 - 138A Street
14	10865 - 128 Street	52	5729 - 174 Street
15	13032 - 115B Avenue	53	6882 - 132 Street
16	13741 - 70A Avenue	54	16746 - 15 Avenue
17	9355 - 159A Street	55	14389 Crescent Road
18	10223 - 140 Street	56	13705 - 70 Avenue
19	13722 - 70A Avenue	57	10612 139 Street
20	10689 - 140 Street	58	194 171 Street
21	17355 - 2nd Avenue	59	10907 132A Street
22	14245 - 56 Avenue	60	6876 132 Street
23	5202 - 168 Street	61	17684 20 Ave
24	234 - 171 Street	62	2770 168 Street
25	218 - 171 Street	63	6862 132 Street
26	13696 - 70A Avenue	64	14245 - 56 Avenue
27	13706 - 70A Avenue	65	17037 24th Ave
28	13733 - 70A Avenue	66	15875 96Avenue
29	14365 - 108 Avenue	67	13715 70 Avenue
30	10310 - 154 Street	68	13809 Grosvenor Road
31	7818 - 144 Street	69	13799 Grosvenor Road
32	13723 - 70A Avenue	70	6848 132 Street
33	13910 Trites Road	71	2518 168 Street
34	17710 - 20 Avenue	72	15995 101A Avenue
35	19409 - 76 Avenue	73	2358 156 Street
36	7037 - 137A Street	74	15248 18 Avenue
37	19369 - 76 Avenue	75	16615 23 Avenue
38	19379 - 76 Avenue	76	10585 137A Street

SCHEDULE B – DRAFT CONTRACT



HOUSE RENTAL PROPERTY MANAGEMENT AGREEMENT

Title: HOUSE RENTAL
PROPERTY MANAGEMENT SERVICES

Reference No.: 1220-030-2013-010

HOUSE RENTAL PROPERTY MANAGEMENT SERVICES

AGREEMENT No.: 1220-030-2013-010

This House Rental Property Management Services Agreement (the "Agreement") made as of the ____ of _____, 2013. Effective date of this Agreement is _____, 2013.

BETWEEN:

CITY OF SURREY

14245 - 56 Avenue
Surrey, BC V3X 3A2

(hereinafter called the "Owner")

OF THE FIRST PART

AND:

(hereinafter called the "Manager")

OF THE SECOND PART

A. The Owner is the owner of the following Properties:

Those properties as listed in Appendix 1 attached hereto and forming part of this Agreement. The properties listed in the said appendix may be added or deleted from time to time by the Owner (hereinafter called the "Properties").

B. This Agreement shall be effective for five years commencing from the 1st day of _____, 2013 and thereafter shall be automatically renewed for 3 month terms and during such renewal terms, either party may terminate this Agreement upon 90 days' written notice to the other.

C. The Owner and the Manager have agreed that the Manager should rent and manage the Properties for the Owner all upon the terms and conditions hereinafter set forth.

In consideration of the covenants contained in this Agreement, the parties covenant and agree with each other as follows:

1. The Manager shall provide the Owner the following services with respect to the Properties:

a) to use its reasonable efforts to rent the Properties on a month-to-month basis, including but not limited to, placing advertisements, showing the Properties to

perspective tenants, processing tenant applications, reviewing previous Landlord's references, and checking credit rating of the prospective tenant;

- b) to collect the monthly rentals, damage deposits and other amounts due from the tenants from time to time. All receipts (save and excepting the Manager's fees and any amounts that may be due and owing to the Manager in accordance with the provisions of this Agreement) shall be maintained separate from the Manager's own funds. The Manager will maintain 2 bank accounts in trust for the Owner – one for damage deposits received from the tenants and another for all other receipts. Any rentals which cannot be collected shall be placed with a collection agency to be approved by the Owner. The Manager shall not be responsible for any amounts that it cannot collect;
- c) to receive and to resolve all disputes with tenants and to generally act as would a reasonable and prudent landlord, including non-payment of Rent and Arbitrator Hearings;
- d) to provide the Owner with two hard copies and a soft copy (in Microsoft Excel) of monthly statement of receipts and disbursements, and hard copies of any invoices or other accounts paid out on account of the Owner incurred in connection with the Properties on the 15th of each month and to remit all the excess cash flow including interest on the same due;
- e) to provide the Owner with monthly bank reconciliation reports for both bank accounts of the Owners held in trust by the Manager.
- f) to pay for miscellaneous expenses from the rental receipts up to a maximum of \$500 without prior written authorization;
- g) to pay, from the rental receipts, miscellaneous expenses from \$500 to \$1,000 with prior written authorization from the Owner. The Owner shall approve all expenses over \$1,000 and the contractors retained by the manager shall directly send their invoices to the Owner for the payment of those expenses;
- h) to provide reasonable 24 hour emergency response for repair services to the Properties and immediately request the Owner to conduct the necessary repair works;
- i) the Manager confirms that each of its licenses participates in the "Real Estate Special Compensation Fund" administered by the Real Estate Compensation Fund Corporation (RECFC). Each licenced employee of the Manager has, and shall maintain \$1,000,000 of Errors & Omissions insurance coverage and the Manager will maintain a \$3,000,000 general liability insurance policy;
- j) as approved by the Owner, to retain such contractors, workmen and servicemen to maintain the Properties, as would a reasonable and prudent landlord, to

conduct the works which cannot be done by the Owner under 1(h) above. The costs incurred by these works and services shall be deducted from the rents collected pursuant to 1(b) above; All contractors retained to work on Owner properties require the following;

- i. City of Surrey Business License,
- ii. Current Workers Compensation Board coverage, and
- iii. \$5,000,000 Commercial General Liability Insurance

- k) to set the rental rate for the Properties at an appropriate market rent or as the Owner may from time to time direct;
- l) to inspect the Properties for damages upon the tenants vacating the Property and to manage and account for damage deposits and any accrued interest;
- m) to receive and manage in accordance with the Residential Tenancy Act security deposits paid by tenants and retain in a trust account to be set up specifically for the said purpose;
- n) in the event the Manager is of the view that an urgent situation exists whereby the tenancy might be jeopardized or that the tenant should be without any necessary item or convenience or in the event that an emergency repair or replacement is required, the Manager is authorized as the agent of the Owner to approve expenditures required to make such repairs or replacements to the Properties or any part thereof, provided that the Manager shall make reasonable attempt to contact the Owner, giving the Owner an opportunity to decide whether the emergency works can be conducted by the Owner, before such works and services are conducted. The costs so incurred shall be deducted from the rents collected pursuant to 1(d) above;
- o) to conduct property inspection at the request of the Owner from time to time before the Owner acquires an additional property, and to advise the Owner on all rental matters;
- p) for repairs with an estimated cost of \$5,000 or less the Manager will be responsible to oversee these repairs at no additional cost;
- q) for repairs with an estimated cost in excess of \$5,000 the Manager may be authorized to charge a fee of 5% of the cost. The owner reserves the right to directly co-ordinate these repairs;
- r) to meet with the Owner on a twice yearly basis to review the Owner's residential rental portfolio; and
- s) to allow the Owner to inspect all the books and records pertaining to this Agreement in accordance with the standard accounting and auditing practice.

2. The Owner hereby authorizes the Manager to do all of the things as set forth aforesaid.
3. The Owner shall:

- a) The Owner will pay to the Manager the fees as set out in Appendix 2 (the "**Fees**"). Payment by the City of the Fees and Disbursements will be full payment for the Services and the Consultant will not be entitled to receive any additional payment from the City. Fees are due and payable on the 1st day of each month commencing on _____ 1, 2013, being the effective date of this Agreement and the Manager is authorized to apply this and other money, save and except the damage deposits and the accrued interest, due from the Owner which it receives from the tenants for its own account;

Note: Certain properties may be leased for a fixed term of six months at the start of the tenancy and then fall to a month-to-month tenancy. The Manager will not charge any fee for this change of term. Certain properties may be leased for a fixed term of longer than six months at the City's sole discretion. The Manager is authorized to charge a renewal fee for fixed term tenancy agreements of 25% of the first month's renewal rent for the preparation of new rental documents.

For properties acquired by the City with a tenant in place, the City will pay the Manager a "leasing" fee of 25% of one month's rent (to be charged a maximum of once per property per annum) for the documentation and initial sign-up.

- b) reimburse the Manager for extraordinary advertising, all maintenance charges, process services, courier fees, arbitration and sub-contracted enforcement costs, and each and every other expense incurred by the Manager as provided for in this Agreement;
 - c) indemnify and save harmless the Manager for all damages, claims, costs and expenses suffered or incurred by the Manager as a result of the Manager's acting as a Manager of the properties as foresaid save and excepting only damages resulting from the negligence of the Manager or its employees for which the Manager is solely responsible by reason of the wrongful conduct of the Manager acting outside the scope of this Agreement;
 - d) the Owner may from time to time add properties to or delete properties from the List of Properties in Appendix 1. Appendix 1 shall be deemed to have been amended when the Owner provides the Manager with the information pertaining to the addition or deletion of Properties.
4. If the Owner terminates this Agreement during the initial term of this Agreement after having provided the Manager with thirty (30) days' prior written notice, the Owner shall pay to the Manager all amounts due and owing to the Manager pursuant to the terms of this Agreement as of the date of termination plus a termination fee equal to the monthly management costs multiplied by two months.

5. The Owner hereby states that he is a resident of Canada within the meaning of Section 116 of the Income Tax Act of Canada.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed.

WITNESS

EXECUTION DATE

OFFICERS' SIGNATURES

	Y	M	D	
_____	2013			_____ by authorized signatory(ies)
(as to the signature of _____				_____

_____	20			CITY OF SURREY by its authorized signatories
(as to the signature of the Manager, Realty Services)				_____
				Nicholas Rawcliffe Manager, Realty Services

APPENDIX 1 – LIST OF PROPERTIES

APPENDIX 2 – FEES AND PAYMENT

APPENDIX 3 – TIME SCHEDULE [**Not Applicable**]

APPENDIX 4 – PERSONNEL AND SUB-CONSULTANTS

APPENDIX 5 – ADDITIONAL SERVICES

(APPENDICES 1 THROUGH 5 WILL BE INSERTED LATER WHEN AN AGREEMENT IS ASSEMBLED AND WILL INCLUDE DETAILS FROM THE RFP AND THE SUCCESSFUL PROPOSAL.)

SCHEDULE C – FORM OF PROPOSAL

RFP Project Title: HOUSE RENTAL - PROPERTY MANAGEMENT SERVICES

RFP Reference No.: 1220-030-2013-010

Legal Name of Proponent: _____

Contact Person and Title: _____

Business Address: _____

Telephone: _____

Fax: _____

E-Mail Address: _____

TO:

City Representative: Kam Grewal, CMA, BBA
Corporate Audit Manager
Acting Manager Purchasing and Accounts Payable

Address: City of Surrey, City Operations Works Yard
Purchasing Section
1st Floor, 6645-148 Street
Surrey, BC Canada V3S 3C7

Telephone: 604-590-7274

Dear Sir:

1.0 I/We, the undersigned duly authorized representative of the Proponent, having received and carefully reviewed all of the Proposal documents, including the RFP and any issued addenda posted on the City Website and BC Bid Website, and having full knowledge of the Properties, and having fully informed ourselves as to the intent, difficulties, facilities and local conditions attendant to performing the Services, submit this Proposal in response to the RFP.

2.0 I/We confirm that the following schedules are attached to and form a part of this Proposal:

- Schedule C-1 – Statement of Departures;
- Schedule C-2 – Proponent’s Experience, Reputation and Resources;
- Schedule C-3 – Proponent’s Technical Proposal (Services);

Schedule C-4 – Proponent's Technical Proposal (Schedule) [**Not Applicable**]; and
Schedule C-5 – Proponent's Financial Proposal.

- 3.0 I/We confirm** that this proposal is accurate and true to best of my/our knowledge.
- 4.0 I/We confirm** that, if I/we am/are awarded the agreement, I/we will at all times be the “prime contractor” as provided by the Worker's Compensation Act (British Columbia) with respect to the Services. I/we further confirm that if I/we become aware that another consultant at the place(s) of the Services has been designated as the “prime contractor”, I/we will notify the City immediately, and I/we will indemnify and hold the City harmless against any claims, demands, losses, damages, costs, liabilities or expenses suffered by the City in connection with any failure to so notify the City.

This Proposal is submitted this _____ day of _____, 2013.

I/We have the authority to bind the Proponent.

(Name of Proponent)

(Signature of Authorized Signatory)

(Print Name and Position of Authorized Signatory)

(Name of Proponent)

(Signature of Authorized Signatory)

(Print Name and Position of Authorized Signatory)

SCHEDULE C-1 - STATEMENT OF DEPARTURES

1. I/We have reviewed the proposed Contract attached to the RFP as Schedule "B". If requested by the City, I/we would be prepared to enter into that Contract, amended by the following departures (list, if any):

Section	Requested Departure(s) / Alternative(s)

2. The City of Surrey requires that the successful Proponent have the following in place **before commencing the Services**:

- a) Workers' Compensation Board coverage in good standing and further, if an "Owner Operator" is involved, personal operator protection (P.O.P.) will be provided,
Workers' Compensation Registration Number _____;
- b) Prime Contractor qualified coordinator is Name: _____ and Contact Number: _____;
- c) Insurance coverage for the amounts required in the proposed Contract as a minimum, naming the City as additional insured and generally in compliance with the City's sample insurance certificate form available on the City's Website [Consultants Certificate of Insurance](#)
- d) City of Surrey business license;
- e) If the Proponent's Goods and Services are subject to HST, the Proponent's HST Number is _____; and
- f) If the Proponent is a company, the company name indicated above is registered with the Registrar of Companies in the Province of British Columbia, Canada, Incorporation Number _____.

As of the date of this Proposal, we advise that we have the ability to meet all of the above requirements **except as follows** (list, if any):

Section	Requested Departure(s) / Alternative(s)

3. I/We offer the following alternates to improve the Services described in the RFP (list, if any):

Section	Requested Departure(s) / Alternative(s)

4. The Proponent acknowledges that the departures it has requested in Sections 1, 2 and 3 of this Schedule C-1 will not form part of the Contract unless and until the City agrees to them in writing by initialling or otherwise specifically consenting in writing to be bound by any of them.

SCHEDULE C-2 - PROPONENT'S EXPERIENCE, REPUTATION AND RESOURCES

Proponents should provide information on the following (use the spaces provided and/or attach additional pages, if necessary):

- (i) Location of branches, background, stability, structure of the Proponent;
- (ii) Proponent's relevant experience and qualifications in delivering Services similar to those required by the RFP;
- (iii) Evidence satisfactory to the City of the Proponent's past performance results have been acceptable with rental arbitration (RTB);
- (iv) Proponent's equipment servicing resources, capability and capacity, as relevant;
- (v) A portfolio of current comparable project(s) is required. For each project listed include:
 - an overview of the project team;
 - photographs;
 - project data: densities, and unit size;
 - leasing information, if applicable; and
 - a description of the project's success in relation to its original objectives.
- (vi) Proponent's financial strength (with evidence such as financial statements, bank references);
- (vii) Proponents should provide a project team profile on reputation and capability of including background and experience of all key personnel proposed to undertake the Services (use the spaces provided and/or attach additional pages, if necessary):

Key Personnel

Name: _____

Experience: _____

Dates: _____

Project Name: _____

Responsibility: _____

SCHEDULE C-3 - PROPONENT'S TECHNICAL PROPOSAL (SERVICES)

Proponents should provide the following (use the spaces provided and/or attach additional pages, if necessary):

- (i) a narrative that illustrates an understanding of the City's requirements and Services;
- (ii) a description of the general approach and methodology that the Proponent would take in performing the Services including specifications and requirements;
- (iii) a narrative that illustrates how the Proponent will complete the scope of Services, manage the Services, and accomplish required objectives;
- (iv) security details for City funds;
- (v) describe in detail what type of internal controls you provide, e.g. What type of management and accounting programs/software is used;
- (vi) demonstrated ability to provide the Services as itemized in Section 2 of Schedule A (please note each specific item in your Proposal);
- (vii) how are repairs and maintenance handled;
- (viii) solutions that would allow the City to do this without incurring a significant financial expenditure;
- (ix) describe the means by which you would keep abreast of the City's activities and ongoing needs;
- (x) describe the method and the frequency by which information relevant to the City would be communicated to City staff;
- (xi) a description of the standards to be met by the Proponent in providing the Services;
- (xii) describe the process you will follow to accomplish our requirements;
- (xiii) advise what your expectations are for City resources involvement in this process in terms of time involved;
- (xiv) describe your recommended project methodology and governance;
- (xv) describe the process you will follow to accomplish our requirements; and
- (xvi) advise what your expectations are for City resources involvement in this process in terms of time involved:

NOT APPLICABLE

SCHEDULE C-4 - PROPONENT'S TECHNICAL PROPOSAL (SCHEDULE)

Proponents should provide an estimated schedule, with major item descriptions and time indicating a commitment to perform the contract within the time specified (use the spaces provided and/or attach additional pages, if necessary).

Proponents are to indicate the minimum turnaround time offered without or with charges.

SCHEDULE C-5 - PROPONENT'S FINANCIAL PROPOSAL

Payment by the City of the Fees will be full payment for all Services performed by the Proponent to complete the Services and receipt by the City of all required support documentation. (use the spaces provided and/or attach additional pages, if necessary) as follows (as applicable):

1. Fees:

Table 1 – Management and Accounting Fees

Fixed fee per property	\$ _____ per month; plus
a "leasing" Fee for any new tenancies, of (to be charged a maximum of once per property per annum)	_____ % of one month's rent
Inspections of Houses (as directed by the Owner)	\$ _____ per house per inspection

Plus applicable HST/GST.

2. Additional Expenses:

The proposed Contract attached as Schedule "B" to the RFP provides that expenses are to be included within the fee, other than the expenses listed in the Contract as disbursements. Details of disbursements are to be shown in the chart above. Please indicate any expenses that would be payable in addition to the proposed fee and proposed disbursements set out above:
