



**SUMMERLAND VARIETIES CORP.
REQUEST FOR PROPOSALS (RFP)
FOR TEST ORCHARD OPERATION**

1. BACKGROUND & GENERAL GUIDELINES:

1.1 Background

This RFP represents the requirements of Summerland Varieties Corp (SVC) for management of the BC Fruit Growers' Association (BCFGA) Test Orchard property near Oliver (the "Test Orchard") on November 15, 2015 to begin large scale testing of promising apple and cherry varieties. Variety testing will start on a portion of the property and expand over time, with the balance of the property, planted to apple, peach, cherry and plum varieties, to be operated on a commercial lease basis.

Commercial Orchard Area to be Leased: The property under consideration is enclosed by deer fencing and is approximately 42.5 acres. The area to be leased on commercial terms is currently an orchard of about 36.6 acres, planted as follows:

Apples	22.8 acres
Peaches	6.4 acres
Cherries	3.1 acres
Plums	4.3 acres
	36.6 acres*

* All acreage figures are approximate but considered to be reasonably accurate.

The varieties and their location on the Commercial Orchard are indicated in Schedule "A". All trees on the Commercial Orchard portion are mature and full-bearing. The Commercial Orchard property also includes buildings, headlands and loading areas. The remainder of the fenced land consists of buildings, headlands and loading areas and the Test Orchard.

It is SVC's intention that the Commercial Orchard area will reduce over time, with the expansion of the Test Orchard, as described below.

Test Orchard: In 2016, the area of the Test Orchard to be designated for variety testing is expected to be no more than 5 acres. SVC will reserve the right to expand the Test Orchard area up to 20 acres within 10 years, and thereafter expand at a maximum rate of 2 acres per year. The Test Orchard area in 2016 will be located in the North East Corner of the property, shown approximately as Lot 1 in Schedule "A". It is the parties intention that the Test Orchard area expand over the remaining lots in the order they are numbered, namely over Lot 2, followed by Lot 3 etc. SVC will be responsible to clear the Test Orchard lands as required.

1.2 Purpose of RFP

This RFP represents the requirements for an open and competitive process. SVC is currently accepting proposals from qualified candidates to:

1. Independently operate and manage the Commercial Orchard portion of the property under commercial lease terms (the "Lease") for a minimum term of 3 years, and

2. provide orchard maintenance services to SVC within the Test Orchard in support of the variety testing activities of SVC, as directed by SVC (the “Services”).

1.3 RFP Objectives

Objectives with respect to the Commercial Orchard:

- Generally cultivate the orchard and farm the whole of the land in a good and husband-like manner according to modern horticulture standards recognized in the Okanagan Valley in the Province of British Columbia;
- Handle all pesticides as required by law;
- Pay all operating costs incurred in the operation of the commercial orchard;
- Control all noxious weeds and carefully protect and preserve the commercial orchard from waste, injury or destruction;
- Repair, clean out and keep clean and in a state of repair all irrigation wells and pumps, irrigation pipes, filtration systems and other irrigation equipment and do all the irrigating work required;
- Comply with all the laws, rules, regulations and ordinances and by-laws of any governmental authority or other body having jurisdiction over the land; and
- Maintain insurance in such forms and amounts as are reasonable.

Minimum lease term is 3 years **but proposals for longer terms are welcome;**

The Services provided on the Test Orchard must at minimum provide for:

- General cultivation of all variety testing trees in a good and husband-like manner according to modern horticulture standards recognized in the Okanagan Valley in the Province of British Columbia which shall include:
 - Grass cutting
 - Pruning and limbing;
 - Perform all the irrigating work required for test trees as well as monitoring and maintenance of the irrigation system on site;
 - Control of all weeds and carefully protect and preserve the variety testing trees from waste, injury or destruction;
 - Handle all pesticides as required by law; and
 - Such other related duties as directed by the SVC Operations Manager from time to time.
- SVC reserves the right to perform some cultural operations on the Test Orchard, as it deems appropriate.
- Minimum term of Service contract is 3 years and must match length of lease terms and any renewal terms thereof.

2 MANDATORY REQUIREMENTS FOR PROPOSAL

Please read the mandatory requirements specified below carefully. **Proposals not meeting all mandatory requirements will be rejected without further consideration.**

2.1 Due Date and Submission Requirements

- All proponents must attend a site visit.
- Proposals must be typed in English and must be signed by an authorized signatory or representative of the proponent.

- All proposals are due **no later than 4:00 pm PST December 11, 2015** and must be delivered in person and in a sealed envelope addressed to:

Summerland Varieties Corp. - Test Orchard RFP
105-13677 Rosedale Avenue
Summerland, B.C.
V0H 1Z5
Office hours are 8:30 am to 4 pm Monday to Friday

- Proposals may not be sent by facsimile or e-mail

2.2 Operation Plan

Proponent must provide detailed plans and schedules to meet the key requirements to 1) operate the Commercial Orchard in accordance with the Objectives set out above and 2) deliver the Services in a manner that best manages the Test Orchard and overall achieves the objectives of SVC. Discuss any replant plans for the Commercial Orchard, equipment availability and labour pools to be used. Indicate timelines for cultural practices and/or planned renovations to the orchard. If subcontractors are being used, clearly indicate the role of each in the delivery of the project.

2.3 Quotes

Two quotes must be submitted - one relating to the lease of the Commercial Orchard and one for delivery of the Services for the Test Orchard. Each quote must be itemized to include an explanation of all fees and costs including:

1. A detailed list of proposed terms upon which the Commercial Orchard shall be leased. Base rental amounts are to be quoted in dollars per acre and on a per annum basis.
2. A cost proposal relating to the cultural management of the variety Test Orchard. All anticipated fees and costs must be itemized and explained and final annual amounts must be shown in dollars per acre. Applicant must provide all equipment necessary to provide the Services in a timely manner.

2.4 General Qualifications of Proponent

Describe the proponent's qualifications in terms of orchard management including past and current experience and orchards managed. Summarize the qualifications of key staff and how these staff will be organized and supervised in all aspects of the project. Address all aspects of the Evaluation Criteria below.

In addition to the documents and quotes described above, all proponents must attach proof of the following with their bids:

- BCFGAs membership in good standing (all dues paid);
- Appropriate WorkSafe BC coverage;
- General Liability insurance with minimum coverage of \$1 million per claim;
- Commercial pack outs for the past three years;
- Contact information for all references.

2.5 Mandatory Site Tour

All individuals interested in submitting a bid for this RFP are invited for a tour of the property on November 20, 2015, 10:30 to 11:30 am or November 24, 2015, 10:30 to 11:30 am. **Attendance at one tour is mandatory if you wish to submit a bid.**

The property is on Test Orchard Road north of Oliver, BC. It can be accessed from Secret Hill Road which is accessed from Highway 97 S.

2.6 Other Proposal Guidelines

If the proponent plans to contract out any work to meet the requirements of the Services, it must be clearly stated in the proposal. Sub-leasing of the Commercial Orchard is not permitted.

Standard commercial lease terms will apply and detailed contract terms for the Services that meet with the requirements set out in this RFP will be negotiated upon selection of the winning bid for this RFP, as described below.

3 EVALUATION AND AWARD

3.1 Evaluation Criteria

All proposals that meet the minimum requirements will be evaluated based on the following criteria by a Committee designated by SVC. The final recommendation of the Committee will be subject to SVC Board Approval.

Commercial Orchard Plan	
RFP Objectives Met	<ul style="list-style-type: none"> Addresses the objectives of the Commercial Orchard and Minimum Service requirements stated in the RFP
Approach	<ul style="list-style-type: none"> Cultural practices proposed are consistent with best practices used in the Okanagan Valley Demonstrates ability to effectively manage the Commercial Orchard and deliver timely Services in support of SVC's variety testing objectives, as directed
Services Scheduling	<ul style="list-style-type: none"> Provides a detailed plan regarding the scheduling of onsite Services Delivery, including on-site presence and supervision
Equipment	<ul style="list-style-type: none"> Demonstrates availability of sufficient farm equipment, vehicles and tools to support orchard management and delivery of the Services as required
Labour	<ul style="list-style-type: none"> Demonstrates access to sufficient labour pool to meet the seasonal demands of orchard management and delivery of the Services as required
Clarity of Proposal	<ul style="list-style-type: none"> Proposal is clear, concise and well-written
General Qualifications	
All required Qualifications	<ul style="list-style-type: none"> See list in Section 2.4 above
Proponent Experience	<ul style="list-style-type: none"> Demonstrates minimum 3 year history of orchard management including: <ul style="list-style-type: none"> the number of years involved in orchard management number of acres managed current and previous properties farmed Demonstrates quality fruit production based on recent pack-outs from current properties being farmed (3 years maximum)
Proponent Stability	<ul style="list-style-type: none"> Demonstrates the proponent has sufficient labour pool and all necessary equipment to manage the Lease and Test Orchard

	<ul style="list-style-type: none"> • Demonstrates access to adequate financing required to achieve the Operation Plan as proposed
Supervision/ Management	<ul style="list-style-type: none"> • Demonstrates that the proponent will apply conventional methods and an adequate level of supervision to the orchard management • Demonstrates ability to comply with all other legislation relevant to the lease and operation of the Commercial Orchard and to deliver the Services as required, including with respect to Food Safe requirements and other labour standards • Indicates who fruit from Commercial Orchard will be supplied to
Orchard Personnel	<ul style="list-style-type: none"> • Demonstrates that orchard personnel are knowledgeable in the field of tree fruit management • Indicates the number, organization and qualifications of the employees and/or subcontractors who will assist in servicing the Test Orchard • Indicates that each member of the workforce is either a Canadian citizen, a permanent resident of Canada, or holds a valid employment visa from the Government of Canada.
References	<ul style="list-style-type: none"> • 2 credit references (agriculture industry suppliers preferred) • 2 "operational" references which confirm the proponent's abilities and experience

3.2 RFP Timeline

Request for Proposal Advertised	November, 2015
Mandatory Site Visit	November 20 or 24, 2015
Request for Proposal Submission Deadline	December 11, 2015
Proposal Evaluation Completed (Target)	January 7, 2015
Notify Proponents	January 7, 2015
Negotiation with Proponents Completed (Target)	January 21, 2015
Agreement Signed (Target)	February 1, 2015
Service Delivery Starts	February 1, 2015

Enquiries must be directed to SVC General Manager, Frank Kappel (frank@summerlandvarieties.com). If additional information or discussions are needed with any bidders these bidders will be notified.

3.3 Contract Award

Depending on the proposals submitted in response to this RFP, a contract will be negotiated and executed with the leading proponent (the "Frontrunner") selected in accordance with the evaluation format contained in this RFP. The lowest priced Services will not necessarily be accepted. All lease and contract terms will be subject to review by SVC Legal Counsel.

SVC reserves the right to:

- award portions of the project to different proponents through separate contracts;
- accept proposals in whole or in part, with or without negotiation;
- refuse award of the contract to a proponent SVC judges to be fully or over committed on other projects;
- refuse award of the contract to a proponent where, in SVC's sole opinion, the proposal does not represent fair value;

- e. refuse award of the contract to a proponent where, in SVC's sole opinion, the proposal price is considered too low to properly perform the contract; and
- f. in the case of a sole proposal being received, either:
 - (i) cancel the RFP, return the proposal unopened to the proponent, and re-solicit proposals for better response with or without any change being made to the RFP; or
 - (ii) open the proposal without reference to the proponent, and, if such proposal does not merit contract award under the terms and conditions of this RFP, cancel the RFP and re-solicit proposals with or without any change being made to the RFP.

3.4 Opening of Proposals

Envelopes containing the proposals will be opened on or shortly after the Submission Deadline. Proposal opening and evaluation is not open to the public.

3.5 Clarification

At SVC's sole discretion, proponents may be asked to provide additional clarification respecting their proposals or to address areas where SVC clarifies its needs.

3.6 Frontrunner Notification and Confirmation

The Frontrunner shall be notified in writing of his/her status. Where possible, verbal notification shall also be given.

The Frontrunner may be interviewed and/or SVC may conduct such independent reference checks or verifications as are deemed necessary by it to clarify, test, or verify information contained in the proposal and to confirm the suitability of the Frontrunner and each member of its workforce who is a key person(s), including reference checks in which the Frontrunner has been under contract. If the Frontrunner is deemed unsuitable by SVC, or if the proposal is found to contain errors, omissions or misrepresentations of a serious nature, the originally selected Frontrunner may be rejected and another proponent selected as the Frontrunner according to the evaluation format, or SVC may choose to terminate the RFP process and not enter into a contract with any of the proponents.

3.7 Summary of Causes for Rejection of a Proposal

A proposal **will** be rejected for the following reasons:

- a. failure to attend the mandatory site viewing in its entirety;
- b. failure to include a specified "mandatory";
- c. the proposal contains errors, omissions or misrepresentations which, in the sole opinion of SVC, are of a serious nature;
- d. the proponent is deemed unsuitable by SVC;
- e. in the sole opinion of SVC, a proponent conflict of interest exists in connection with the project;
- f. a proposal is submitted after the Submission Deadline; or
- g. bid-rigging.

A proposal **may** be rejected for the following reasons:

- a. failure by the Frontrunner to negotiate a contract with SVC in a timely manner;
- b. failure to return a duly executed contract within the time specified in SVC's forwarding letter;
- c. the proposal is incomplete;
- d. the proposal includes a condition contrary to the terms and conditions of the RFP;
- e. technical/performance requirements specified in the RFP are not met.

4 GENERAL INFORMATION

4.1 Changes to the RFP

Any changes by SVC to the RFP requirements will be made in the form of written addenda or of re-issued documents which will be available at least four working days prior to the RFP Submission Deadline. All addenda shall be considered to be incorporated into and forming part of the original RFP terms.

SVC will make every effort to distribute addenda to all known proponents. However, it is solely the proponent's responsibility to be aware of and be familiar with any addenda or supplementary information issued.

4.2 Proponent Responsibility

While SVC has made every effort to ensure an accurate representation of information in the RFP, proponents must conduct their own investigations into the material facts affecting the anticipated contract. Nothing in this RFP is intended to relieve a proponent from forming their own opinions and conclusions in respect of this RFP.

4.3 Acceptance of Terms

Proposals are submitted and accepted on the basis that proponents have read and agree to all the terms and conditions of this RFP. Proposals which include any condition or modification, or otherwise contradict any of the terms and conditions of this RFP will be read as if such contradictory terms were deleted.

4.4 Use of Request for Proposal

Any information supplied by SVC in relation to this RFP may not be used or disclosed for any purpose other than for the submission of proposals and by submitting a proposal, the proponent agrees to hold in confidence all information supplied by SVC in relation to this RFP.

4.5 Liability for Errors

While SVC has used considerable efforts to ensure information in this RFP is accurate, the information contained in this RFP is supplied solely as a guideline for proponents. The information is not guaranteed or warranted to be accurate, nor is it necessarily comprehensive or exhaustive. Nothing in this RFP is intended to relieve proponents from the responsibility of forming their own opinions and conclusions.

4.6 Proposal Price

Proponents are solely responsible for their own expenses in preparing a proposal, including expenses related to attending the site and conducting negotiations with SVC. If SVC elects to reject all proposals, SVC will not be liable to any proponent for any claims, whether for costs or damages incurred by the proponent in preparing the proposal, loss of anticipated profit in connection with any final contract, or any other matter whatsoever.

All pricing provided in the proposal must be all-inclusive to include any contracted work. Pricing shall be in Canadian dollars and shall not be increased or decreased after the submission deadline, or during or after presentation or interview.

4.7 Cooperating Firms / Subcontractors

Where two or more independent firms are cooperating in the submission of a proposal, the proposal shall be submitted in the name of one firm that shall be considered by SVC to be the prime contractor. Firms other than the prime contractor shall be identified in the proposal as subcontractors. The proposal must identify all subcontractors, their legal names, qualifications, and their respective roles in the project.

Negotiations during proposal evaluation, award and execution of the contract, and all contract payments shall be between SVC and the prime contractor.

4.8 Submission

A hard copy of the proposal must be received at the location and before the time specified in Section 2.1. Proponents are solely responsible for timely delivery of their proposals to SVC. Proposals will be marked with their receipt time at the SVC office. Late proposals will be returned unopened.

4.9 Revisions

Revisions to any proposal may be made prior to the submission deadline. The proponent is solely responsible for timely delivery of revisions.

4.10 Withdrawal

A proposal may be withdrawn prior to the submission deadline by submitting a written request to withdraw to SVC. Upon closing time, all proposals become irrevocable.

4.11 Independent Submission

By submission of the proposal, the proponent certifies that the contents and prices in the proposal were independently developed without consultation with any other proponent or potential proponent. Bid-rigging, if proven, will be sufficient cause for rejection of the proposals of all proponents involved in that bid-rigging.

Schedule A: Varieties and Their Location

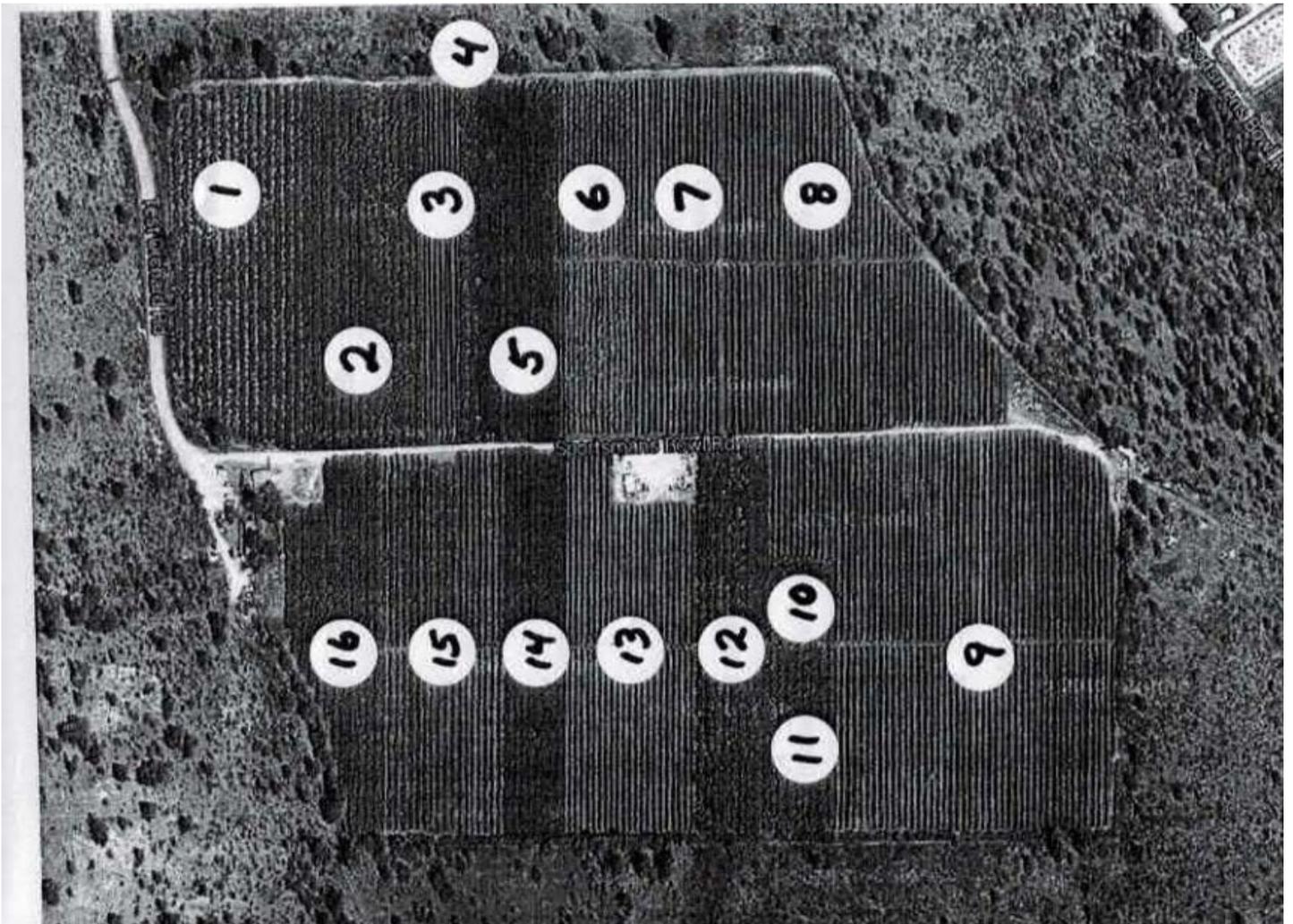


Table 1. Test Orchard Blocks

Note: All blocks are mature and full-bearing. In-row spacing is variable so not included.

Blocks 1-8 are on the north side of the main orchard road and blocks 9-16 are on the south side of the main orchard road. All rows are planted south to north.

<u>Block #</u>	<u># of Rows</u>	<u>Area (acres)</u>	<u>Crop</u>	<u>Varieties</u>	<u>Row Spacing (feet)</u>
1	21	4.5	Peach	Starfire	15
2	7	1.5	Peach	Glohaven	15
3	7	.9	Apple	Cameo	10
4	2	.4	Peach	Redlington Rose	15
5	10	1.7	Cherry	Lapins	12
6	14	1.9	Apple	Cameo, Gala, Fuji, G X S	10
7	35	4.6	Apple	Fuji, Ambrosia	10
8	22 (21 double rows and 1 single row at the end)	2.0	Apple	Ginger Gold, Honeycrisp	10+3
9	64 (includes 10 short rows in front of blocks 10 and 11 [plums])	8.2	Apple	Ginger Gold, Gala	10
10, 11	8	.9	Plum	Black Amber	14
12	9	2.2	Plum	Fryer	14
13	22	2.9	Apple	Honeycrisp, Royal Gala Fuji, Aurora	10
14	8	1.4	Cherry	Lapins	12
15	17 (includes 6 rows spaced at 14 feet apart)	2.3	Apple	Honeycrisp, Ambrosia	10
16	12	1.2	Plum	Black Amber	14
Total acreage:		36.6			
-apples:		22.8			
-peaches:		6.4			
-cherries:		3.1			
-plums:		4.3			