

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MARCH 26 2024

Item 11, Report No. 10 of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on March 26, 2024.

11. WOODBRIIDGE SOCCER UNSOLICITED DONATION PROPOSAL

The Committee of the Whole recommends approval of the recommendation contained in the following report of the City Manager, dated March 19, 2024:

Recommendation

1. THAT the Director of Parks, Forestry, and Horticulture Operations, in consultation with the Director of Economic Development, be authorized negotiate and execute a donation agreement with Woodbridge Soccer Club containing the terms outlined in this Staff Report, in a form satisfactory to Legal Services.

Committee of the Whole (2) Report

DATE: Tuesday, March 19, 2024

WARD(S): 2

**TITLE: WOODBRIDGE SOCCER UNSOLICITED DONATION
PROPOSAL**

FROM:

Nick Spensieri, City Manager

ACTION: DECISION

Purpose

To seek Council direction on an unsolicited donation proposal from the Woodbridge Soccer Club (WSC). WSC is offering to purchase and install custom bleachers at Vaughan Grove Sports Park in Ward 2 in the first week of April 2024.

Report Highlights

- Woodbridge Soccer Club (WSC) has submitted a written proposal dated February 27, 2024 (Attachment 1) that offers the donation of custom bleachers for field #2 at Vaughan Grove Sports Park. The value of the donation is approximately \$200,000 CAD (\$111,804 USD for the equipment. Installation covered by WSC is valued at \$40,947 CAD).
- Subject to Council approval to accept the proposed bleacher system, WSC satisfies the policy-outlined criteria to accept a donation.
- Within this Term of Council staff do not expect to incur significant operational impacts because of the WSC bleacher system.
- If this donation is accepted, the City of Vaughan and WSC will need to finalize a donation agreement that outlines roles and responsibilities.

Recommendations

1. THAT the Director of Parks, Forestry, and Horticulture Operations, in consultation with the Director of Economic Development, be authorized negotiate and execute a donation agreement with Woodbridge Soccer Club containing the terms outlined in this Staff Report, in a form satisfactory to Legal Services.

Background

The Woodbridge Soccer Club (WSC) is offering to donate a bleacher system for Vaughan Grove Sports Park.

The value of the donation is approximately \$200,000; WSC have offered to not only pay for the purchase of the bleachers and their installation, but also cover the cost of repairs and replacement parts for the lifespan of the bleachers, as well as any required insurance. WSC have indicated their interest in having the bleachers installed in time for the Umbro Spring Classic, hosted by WSC at Vaughan Grove Sports Park on April 12, 2024.

In accordance with the City's Incoming Sponsorship and Donation Policy, although Staff have the authority to approve unsolicited donations, there are certain instances, such as this, where Council approve should be sought.

Given that there are potential operational impacts should WSC be unable to fulfill future undertaking to pay for ongoing maintenance, repair and replacement, Staff are seeking Council's direction.

For the reasons set out below, Staff are recommending that they be directed to accept the donation and that the Director of Parks, Forestry, and Horticulture Operations, in consultation with the Director of Economic Development, be authorized to negotiate and execute a Donation Agreement containing the terms outlined in this Staff Report, in a form satisfactory to Legal Services.

Previous Reports/Authority

[Incoming Sponsorship and Donation Policy](#)

Committee of the Whole (2), February 13, 2024

Analysis and Options

WSC has submitted a written proposal dated February 27, 2024 (Attachment 1) that offers the donation of custom bleachers for field #2 at Vaughan Grove Sports Park. The value of the donation is approximately \$200,000 CAD.

The custom bleachers on offer would replace existing stainless-steel benches with new stadium seating (individual bucket seats) (see Attachment 2). This represents service above city standards.

The total capacity of the new bleacher system will be 484 seats. The capacity of the existing system is approximately 250 spectators.

WSC is offering a system provided by *sixFive Stadium Experience Inc.* The asset lifespan and warranty are as follows:

- Delivery and Parts Warranty - one year from the Installation Date.
- Grandstand - lifespan is a minimum of 40 years with a 10-year warranty.
- Seating - lifespan of approximately 30+ years with a 5-year warranty, (note that fading of the seats is not included).

WSC's proposal asks for the City to be responsible for the daily routine maintenance of the new bleachers and field. WSC is offering to purchase and pay for and coordinate the installation of the new bleachers, inclusive of any building permits, delivery fees, etc.

In addition, WSC will pay for and coordinate repairs and replacement parts of the bleacher system to the City's satisfaction for the lifespan of the asset. WSC is also covering the required insurance costs and has provided the city with proof of property and liability insurance indemnifying the City and covering loss or damage on an annual basis.

The value of *sixFive's* system being offered by WSC is \$111,804 USD for the equipment. Installation covered by WSC is valued at \$40,947 CAD.

WSC is motivated to have the new bleachers available for their April 12, 2024, Umbro Spring Classic. The tournament will host more than 300 teams in Vaughan and Mississauga.

WSC is a long-standing non-profit organization in Woodbridge, one of Vaughan's CSOs that permits the fields at Vaughan Grove Sports Park, and an active lessee for their clubhouse on premises. Note: this unsolicited donation is a separate and distinct issue from their lease agreement. One issue shall not prejudice the other.

WSC, established in 1976, is a long-standing non-profit organization in the Woodbridge community. The goal and objective of the club is to build and encourage sportsmanship among youth by fostering and teaching the game of soccer.

WSC has an approximate membership of 3,200 between their competitive and recreation leagues. These participants make up roughly 40 competitive teams along with various house league/recreation programs.

WSC hosts various tournaments throughout the year, including the Umbro Spring Showcase and the Woodbridge Fall Classic. These tournaments draw teams from across Canada and the United States.

The Woodbridge Soccer Club is a recognized CSO with the City of Vaughan. Among the various permits they undertake with the city for the use of various outdoor fields, they also maintain an active lease for their clubhouse. The donation and lease agreements are separate and distinct issues. One shall not prejudice the other.

Vaughan Grove Sports Park features premium soccer fields and baseball diamonds in proximity to the Ontario Soccer Centre. Vaughan Grove is a community hub for club training and league play.

The outdoor sports park facility includes 2 Bocce courts, 4 premium baseball diamonds (including 2 hardball diamonds) and 5 soccer fields.

In 2023, Field #2 was upgraded from natural turf and replaced with synthetic turf which will require less maintenance and increase the playing season. The customized bleachers that WSC wishes to donate would be an enhanced level of service that is above the city's allocated capital budget.

The stainless-steel bleachers at field #2 at Vaughan Grove Sports Park are in good working order and have a remaining life of more than five years with ongoing annual costs to operations.

Given the life expectancy of the existing bleachers, removal and relocation to another field at Vaughan Grove Sports Park should be considered at an approximate cost of \$1,432, to be covered by the existing Public Works budget.

The current annual cost to maintain the existing bleachers is \$1,822 (based on 2023 operational considerations) which includes litter cleanup, graffiti removal and inspections. The costs to maintain the new bleachers is roughly the same at \$1,832 and may vary based on the litter issues throughout the season.

In February 2024, Council adopted a new Incoming Sponsorship and Donation Policy which provides the strategic framework for all staff when accepting and implementing monetary or in-kind Sponsorships and/or Donations in support of City initiatives. WSC's proposal falls under this policy as an unsolicited in-kind donation.

The purpose of the policy is to welcome and encourage sponsorships and donations from organizations or individuals to; assist in the provision of city services and projects fairly and transparently, to safeguard the city's corporate vision, image, assets, and interests while securing non-taxation revenue, and to establish a consistent city-wide approach for Sponsorship and Donations.

The city may consider unsolicited in-kind donations but has no obligation to accept them. The City reserves the right to refuse any unsolicited offer for Sponsorship or Donation for any reason, after conducting a review of the proposal.

According to the policy, a "donation" is a philanthropic contribution or gift in which cash or in-kind goods or services are voluntarily transferred by a third party ("donor") to the city without expectation of return. A donation tax receipt can be issued if it meets the Canada Revenue Agency (CRA) charities giving regulations/criteria set out in section 118.1 in the *Income Tax Act* and, in the case of in-kind, the fair market value of the donation can be proven.

In the case where the in-kind donation is unsolicited, staff must conduct due diligence to:

- Identify if the unsolicited donation is from a reputable Organization and not in violation of the City's vision, mission, and values;
- Outline the operational impacts of accepting the in-kind product or service;

- Assess the need for the donation by consulting with internal stakeholders;
- Consult with Procurement Services to make sure the organization is not currently actively pursuing a bid or tender;
- Consult with Legal Services and Risk Management Services to ensure the organization is not in litigation with the city or in financial arrears; and
- Consult with Bylaw and/or Recreation to learn the status of their business license or non-profit status as a CSO.

The Policy provides authority for Staff to accept both solicited and unsolicited donations in accordance with the approval matrix provided at Appendix B to the Policy, however, there are instances where Staff might seek Council direction, in accordance with section 3.5.6.4 of the procedures.

Subject to Council approval of the proposed bleacher system, WSC satisfies the policy-outlined criteria to accept a donation.

There are benefits the City can realize with the proposed new bleacher system.

Some benefits of the new bleacher system, if accepted, include:

- An improved spectator experience.
- The offset of a future bleacher replacement cost.
- The improvement of facility for other users. WSC is the primary user but does not have exclusive rights.
- Increased viability of Field #2 as a venue for tournaments.

There are some drawbacks associated with the proposed new bleacher system.

Some drawbacks of WSC's proposed system include:

- Increased need for maintenance and cleaning because of increased use.
- An increased operational demand on City resources concerning bleacher inspection, cleanup, and graffiti removal for individual seating.
- Vaughan Grove Sports Park's increased service level may lead to demands for the city to provide similar services at other fields across Vaughan.

Within this Term of Council staff do not expect to incur significant operational impacts because of the WSC bleacher system.

Staff have reviewed current and proposed operational impacts. Relevant departments have concluded that the proposed agreement conditions will result in a neutral budget impact. Any new maintenance costs caused by the new bleachers can be offset in the

short term by savings realized due to the 2023 conversion of Field #2 from natural to synthetic turf.

Option 1: accept the donation as presented by WSC.

If this option is approved, staff and WSC will need to finalize a donation agreement that outlines the following roles and responsibilities.

WSC pays for the acquisition, installation, and ongoing repairs/replacements (to the end of the asset's service life) of the asset including:

- Satisfying all necessary building permit requirements.
- Liability and property insurance indemnifying the city, to the city's satisfaction.
- Parts and equipment purchase and replacement, including seats, to the satisfaction of the city.
- Seasonal inspections of the asset with a report back to the city.
- Storage of additional seats, tools, and equipment associated with repair and replacement of the asset.
- Transferring ownership of the asset to the City of Vaughan.
- Ensure compliance with Ontario Building Standards and relevant AODA regulations.
- The unsolicited donation is a separate and distinct issue from their lease agreement. One shall not prejudice the other.

City of Vaughan is responsible for:

- Seeking Council approval and subsequently presenting and executing a donation agreement with WSC for the lifecycle of the asset.
- Issuing a building permit assuming all requirements have been met.
- Removing and relocating current bleachers (one-time).
- Litter and waste clean-up and graffiti removal.
- Providing a tax receipt for the value of the product (if requested by WSC).

Option 2: reject the donation.

The City of Vaughan does not accept the in-kind donation through Council's rejection of the recommendation in this report.

Financial Impact

The acceptance of WSC’s donation will result in a higher capital replacement cost when the new Field #2 bleachers are due for change. However, the replacement will be further in the future than the existing bleachers would require.

There is minimal financial impact associated with operations. At present, staff budget is \$1,822 to maintain the current bleachers. The new system would require a maintenance budget of roughly the same amount of \$1,832. Public Works will absorb the additional operational costs for litter and waste clean-up and graffiti removal and a one-time relocation cost due to the savings from the conversion to the artificial turf field.

	<u>Current System</u>	<u>Proposed System</u>
Annual Operational Costs (chained to 2023 value)	\$1,822 (inspection, litter and waste cleanup and graffiti removal).	\$1,832 (litter and waste cleanup and graffiti removal)
One-time take down and relocation cost of current bleachers	n/a	\$1,432
Replacement Capital Costs (chained to 2023 value)	\$150,000	Estimated \$200,000 based on the purchase and installation costs of: \$111,804USD for the equipment. Installation is valued at \$40,947CAD.
Asset lifespan and expiry date	30 years (Replacement required in 5-10 years).	10 plus years with estimate of 40 plus years.

Operational Impact

Primarily, operational impact for the maintenance of the new system will be taken on by Public Works.

The acceptance of the donation and installation of the new bleachers will require input from Building Standards, Legal Services, Parks, Forestry and Horticulture Operations, and Economic Development.

Broader Regional Impacts/Considerations

Accepting the WSC donation will better position Vaughan to host regional soccer tournaments. It will also help WSC raise its profile.

Conclusion

If Council directs staff to accept WSC's donation (Option #1), staff will present a donation agreement to the donor and support installation when and where appropriate. Support and finalization will be subject to WSC entering into the donation agreement outlining responsibilities listed above, including receiving all building permits, etc.

For more information, please contact Raphael Costa, Director Economic Development ext. 8891.

Attachments

1. WSC Proposal, February 27, 2024
2. WSC Stadium Seating and Installation Quote, Northstar Access Corp., November 23, 2023
3. WSC Purchase Agreement with SixFive Stadium Experience Inc, November 13, 2023

Prepared by

Cristina Prinzo, Program Manager, Municipal Partnerships and Corporate Initiatives
Raphael Costa, Director Economic Development
Shanon Kalra-Ramjoo, Director Parks Forestry Horticulture Operations
Carmine Mainella, Manager Parks Operations

Approved by



Nick Spensieri, City Manager



WOODBRIDGE SOCCER CLUB



Vaughan Grove Sports Park

Club Office Address: 7401 Martin Grove Rd, Woodbridge, ON L4L 9E4
Mailing Address: PO Box 12359 Rutherford Islington, Vaughan, ON L4H 2T3
Tel: 905-851-4496
Email: wscadmin@wscstrikers.com Website: www.wscstrikers.com

The Woodbridge Soccer Club aims to make an in-kind donation to the newly established Vaughan Grove Stadium Turf Field by providing new grandstand seating. Our goal is to enhance the stadium's amenities with the addition of new seating that adheres to all safety regulations, without necessitating any further financial contributions by the City of Vaughan.

Please refer to the attached specifications for the details of the proposed stadium seating. This in-kind donation intends to replace the current seating. Our foremost commitment is to ensure that the stadium is outfitted with all essential safety features. Disregarding even the smallest safety concerns is non-negotiable, given the potential liability for both the club and the City of Vaughan.

The delineation of roles and responsibilities is as follows: The City of Vaughan will be responsible for the continuation of daily routine upkeep of the field and seating areas. Both the Woodbridge Soccer Club and the vendor will manage permits and the installation process. The supplier will provide additional seats in case of any damages.

The targeted completion date for this project is April 12, 2024. Should you have any inquiries, please do not hesitate to contact us.

Regards

Adam Candido
Vice President
Woodbridge Soccer Club

DTQ 2124 - Woodbridge Soccer Club

Quote Details

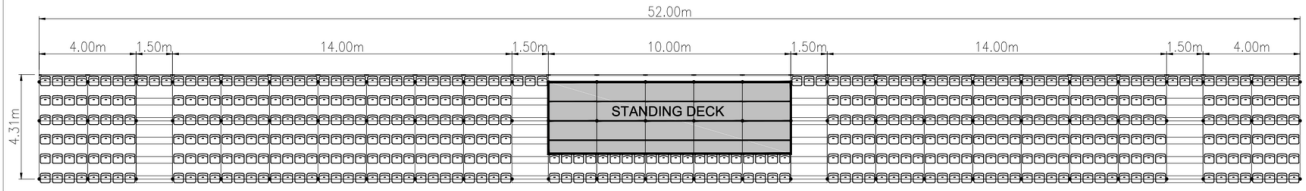
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Job site address:	[Address]	Phone:	647-883-8771

Account Information

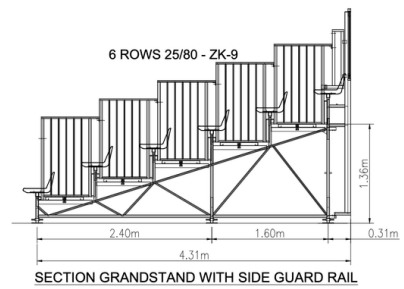
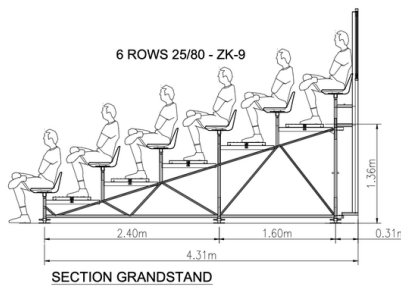
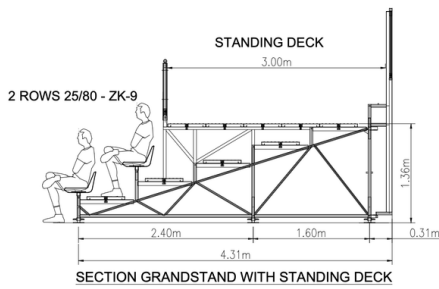
Account Name:	SixFive Sports & Development	Phone:	604 910 9014 1111 W Hastings St #388,
Contact Name	Andrew Macintosh	Billing Address	Vancouver, BC V6E 2J3, Canada

T&M Budget

Install customers Bleachers as per attached drawing
Customer to provide supervision and training .
NORTHSTAR to provide Local Unionized Carpenters
Work performed during regular weekday hours 730am - 330pm Monday , Tuesday,Wenesday, Thursday and
1/2 day Friday
Customer responsible for level ground conditions .
Customer responsible for Power tools , anchors , drills drill bits etc
Carpenters to supply personal tools.



TOTAL CAPACITY 484 SEATS on 6 ROWS
 SPACING 500mm



DRAWING TITLE: PLAN & SECTION GRANDSTAND	PROJECT TITLE: WOODBIDGE SOCCER CLUB	DRAWING NO:	12583 A	REV:	A	DATE:	18 OCTOBER 2023	DESCRIPTION:		DRAWN BY:	DIANA
		SCALE:	NOT TO SCALE		B						
		DRAWN BY:	DIANA	CHECKED BY:	LUCIE	APPROVED BY:	JJ PRALLUS	DATE:	09 OCTOBER 2014		



T&M Budget

Erect Seating	LABOUR RATE	MAN HOURS	Subtotal
Labour - Erection	\$103.00	283	\$29,149.00
Forklift Rental	\$330.00	4	\$1,320.00
Supervisor	\$103.00	8	\$824.00
Add Metal screening			
Labour - Erection	\$103.00	48	\$4,944.00
Subtotal			\$36,237.00
Tax			\$4,710.81
Total			\$40,947.81

TERMS AND CONDITIONS

- All prices are subject to availability
- Pricing subject to change upon site inspection
- Powerline Plus contract is for 30 days before extension is required at an additional cost
- All work to be performed during regular work hours (Mon-Thursday 7am-3:30pm and Fri. 7am-12:30pm), all time outside of these hours is considered premium time and will be charged at an additional cost based on the carpenters collective bargaining agreement.
- Rental costs are based on 28 day billing period and have a minimum rental period of 28 day
- Daily rental rates apply after the first 28 days are calculated as the quote rental rate above divided by 28
- Labour is supplied from the Carpenters Union.
- Labour stated is for erection and dismantle unless indicated differently
- Northstar is not responsible for repairing holes from anchor points. Customer is responsible to fill in all holes during dismantlement.
- Any hours incurred outside of the initial quotation scope will be charged on a time and material basis at **\$103.00** per hour. A minimum labour charge of **\$1,648.00** will be charged for any work under 4 hours, based on our minimum crew size of 4 crew members.
- Rental and delivery pricing only valid when labour is performed by Northstar. If the customer performs their own installation, per piece rental rates and per delivery cartage rates will be charged
- This quote is the copyright of NORTHSTAR. No un-authorized use, copy, or disclosure is to be made and it is to be returned upon request. This quote is issued subject to and should be read in conjunction with Northstar's Standard Conditions for Supply of Labor and Rental
- All Rental Only Quotes Do Not Include Off Loading and Loading of Delivery Trucks Unless Otherwise Specified.
- Progress billed weekly for labour and consumables.
- Onsite facilities onsite to be provided by client. Includes but is not limited to washrooms and office trailers if required.
- No hold backs accepted.
- Secure scaffold laydown area within reasonable distance from scaffold location(within 50').

PAYMENT TERMS

Payment terms for active approved customers are net 30. All other customers are cash on delivery. Net 30 terms are granted at the discretion of our credit department upon receipt of a completed credit application.

CUSTOMER

Signature

Date

Name

Title

Purchase Order Number

NORTHSTAR SCAFFOLD

Signature

Date

Name

Title

Purchase Agreement
between
SixFive Stadium Experience Inc
and
Woodbridge Soccer Club
For
Prefabricated Modular Stadium

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Purchase Agreement

THIS AGREEMENT made on 13th of November by and between SixFive Stadium Experience Inc, a corporation organized under the laws of British Columbia, Canada, having its principal office at 388-1111 West Hastings Street, Vancouver, BC, Canada, V6E 2J3 (hereinafter called the "SixFive", which expression includes its successors and permitted assignees) and Woodbridge Soccer Club, having its principal office at 7401 Martingrove Rd Woodbridge L4L9E4 (hereinafter called the "Buyer", which expression includes its successors and permitted assignees).

WHEREAS, SixFive wishes to sell to the Buyer and the Buyer wishes to buy from SixFive, SixFive's prefabricated stadium structure and spare parts therefore, all as more particularly described herein;

and

WHEREAS, the Buyer wishes SixFive to oversee the assembly and installation of the modular stadium systems purchased including related equipment and SixFive is willing to undertake this task;

NOW THEREFORE, inconsideration of the mutual covenants herein contained, the parties hereto agree as follows:

1. Interpretation

In this Agreement, unless the contrary intention appears:

"Agreement" means this document and includes its Appendices.

"Buyer's Country" means the country where the Site is located.

"Change Orders" has the meaning set forth in Section 4 entitled "Change Orders"

"Change Order Approvals" means confirmation in writing by SixFive of approved Change Orders requested by the Buyer.

"Day" means calendar day; "Week" means calendar week; "Month" means calendar month.

When the last day of any period prescribed for the execution of any assignment falls on a day which is not a working day in Canada or in the Buyer's Country, the assignment may be performed on the first working day following the aforementioned day.

"Design Drawings" means conceptual drawings created by SixFive including 2D architectural drawings, 3D renderings, and/or engineering drawings used to detail aesthetic concepts and represent the client's ideas and the designer's intent.

"Effective Date" has the meaning set forth in Section 25 entitled "Effective Date".

"Excusable Delay" has the meaning set forth in Section 19 entitled "Excusable Delay".

"Installation Date" means the date on which the modular stadium has been erected on the Site and inspected and certified by SixFive as being substantially complete.

"Price" has the meaning set forth in Section 3 entitled "Purchase Price of the Supplies"

"Port of Entry" means Toronto.

"Site" means the Buyer's facility at Vaughan Grove Sports Complex 7401 Martin Grove Rd Vaughan, Ontario, Canada.

"Shop Drawings" means drawings produced by SixFive and/or its suppliers and subsidiaries specifically prepared for the manufacturing of the components for the modular stadium which provide the details needed during fabrication, assembly, installation, and erection, such as the specified material, weld types and connections.

"Supplies" means all equipment, parts, instructions (excluding installation) and the associated documentation, support equipment and design services to be provided under the Agreement, as detailed in Appendix A "Houston Cricket Stadium Package Inclusions".

2. Subject Matter of Sale

Subject to the terms and conditions of this Agreement:

SixFive shall sell and deliver to the Buyer and the Buyer shall purchase from SixFive:

- (i) an 484-seat modular stadium package as outlined in **Appendix A "Woodbridge Soccer Club Package Inclusions"**.
- (ii) **Appendix B "Woodbridge Soccer Club Stadium Plan and Section View Drawings"**
- (iii) **Appendix C "Optional Additional Components,"**; and
- (iv) **Appendix D "Included Spare Parts."**
- (v) **Appendix E: "SixFive Value Add Services Rate Card"**

2.1 Design Services:

a. SixFive shall provide comprehensive design services for the modular stadium, including architectural and structural plans for coordination with the Buyer's local architectural and engineering team, and any other necessary disciplines.

b. SixFive shall develop and prepare Design Drawings, Shop Drawings, and other specifications for the modular stadium, ensuring compliance with the Buyer's requirements, local building codes, and regulations.

c. SixFive shall submit the design documents to the Buyer for review and approval. The Buyer shall provide timely feedback, and SixFive shall make revisions as necessary until the Buyer's approval is obtained.

d. The cost of the Design Services and any revisions provided is included in the Price until the Buyer approves the Shop Drawings in writing. After the Shop Drawings are approved by the Buyer, any revisions which require additional Design Services will be billed to the Buyer at SixFive's standard rates as per Appendix E, "SixFive Rate Card."

e. During the course of the design services, revisions may be made which substantially alter the design and/or the Price of the modular stadium. Where changes are made that affect the Price, change orders will be issued by SixFive in accordance with section 4, Change Orders below.

f. SixFive will coordinate with the Buyer's local architectural and engineering team and will provide specifications and tolerances that must be met for the installation of the modular stadium. The Buyer's local architectural and engineering team shall be responsible for the design and engineering of all site works, foundations, site services, code compliance, permit issuance and coordination with jurisdictional authorities.

(collectively the "Design Services")

2.2 Supply of Modular Stadium:

a. Manufacturing: SixFive shall manufacture the modular components of the stadium in accordance with the approved Shop Drawings and specifications.

b. Materials: SixFive shall procure and utilize high-quality materials that meet the specifications and industry standards to ensure durability, safety, and performance.

c. Quality Control: SixFive shall implement a rigorous quality control process to ensure that all components meet the approved design and specifications before shipment.

d. Packaging and Shipping: SixFive shall properly package and label the modular components to ensure safe transportation and shall arrange for their delivery to the Port of Entry in accordance with the agreed-upon schedule. SixFive is not responsible for any delays during the shipping process, the arrival time given by SixFive is only an estimate and the Buyer may not make any claim against SixFive for delays in shipping.

2.3 Installation of Modular Stadium

- a. SixFive shall provide a specialist to assist the Buyer in erecting the modular stadium package who will be on site throughout the installation process.
- b. The installation of the modular stadium package shall be the sole responsibility of the Buyer. Installation is not included in the Price.
- c. Buyer is responsible for ensuring that all site works, services, foundations and other works required for the installation of the modular stadium are completed prior to the arrival of the modular stadium components, subject to the approval of SixFive prior to the safe installation of the modular stadium.
- d. SixFive will inspect the completed site works to ensure they collectively meet the requirements and tolerance ranges for the installation of the modular stadium. Any changes or rework that may be required to meet the installation tolerances of the modular stadium will be to sole responsibility of the Buyer. If on site modifications are required to the modular stadium system, the cost of those modifications shall be the responsibility of the Buyer, and additional design services provided by SixFive as a result may incur additional costs.

3. Purchase Price of the Supplies

- a. Purchase Price:
The purchase price (hereinafter the "Price") of the Supplies, including packaging, insurance, and transportation of the Supplies to the Port of Entry, of the Supplies described in the Section 2 entitled "Subject Matter of Sale" above, shall be **USD \$111,804.39**.
- b. Payment:
Project payments are to me made from the Buyer to SixFive on the following schedule:

- i) a non-refundable down payment equivalent to 10% of the Price, to be paid upon execution of this Agreement;
 - ii) 40% of the Price to be paid upon the Buyer's written approval of Shop Drawings;
 - iii) 20% of the Price to be paid in order to release the shipment of the Supplies from the manufacturing facility to be delivered to the Buyer;
 - iv) 20% of the Price upon arrival of the Supplies in the destination port of the Buyer;
 - v) 10% of the Price plus any other fees or amounts payable upon completion of the installation as certified by the general contractor.
- c. In addition to the Supplies, the Buyer may at its sole discretion choose to purchase from SixFive several Optional Add-Ons as listed in Appendix C. Any additions requested by the Buyers shall be added to the Agreement by way of a Change Orders and must be selected prior to approval of the Shop Drawings, unless otherwise approved in writing by SixFive. Change Order documents will address payment terms on specific items separately.
- d. Disbursements:
Any additional expenses including but not limited to travel costs, mileage, printing, courier services, or any other costs incurred by SixFive that are not directly related to the design and manufacture of the modular stadium as described above will be billed to the Buyer for reimbursement in addition to the Price.

4. Change Orders

- a) The Buyer may at its sole discretion make requests for changes at any time until the Shop Drawings are approved in writing. SixFive will provide the Buyer with a Change Order Approval detailing any changes that materially affect the Price for the Buyer's approval. Once a Change Order Approval has been executed, the additional work becomes a material part of the Agreement.
- b) SixFive may at its sole discretion make requests for changes at any time, and the Buyer shall not unreasonably withhold consent for approval of SixFive's change order requests. If for reasons of supply chain issues, availability of materials, delays by suppliers, or any reason beyond SixFive's control shall be automatically approved if there is no change in Price.
- c) Unless otherwise stipulated, Change Orders resulting in an increase in Price must be paid for in accordance with the terms of the Change Order. Change Orders resulting in a credit to the Buyer will be applied as a credit to the final payment due upon completion of the project.
- d) Change Order Requests will be reviewed within 48 hours of receipt. Change Order approvals will be reviewed and approved or denied within 7 business days of receipt.

5. Title and Risk of Loss

Except as indicated below in this paragraph, title to the Supplies shall be transferred from SixFive to the Buyer when and to the extent payments are received by SixFive. The Buyer represents and warrants that it shall not cause or permit to be caused any lien or encumbrance of any kind to be placed upon the Supplies to an extent greater than its share of ownership in the Supplies.

Risk of loss of any part of the Supplies shall pass from SixFive to the Buyer upon delivery of such parts to the Port of Entry.

6. Delivery to Site

Delivery to site of the products is included in the contract price. Buyer is responsible for any additional charges that may occur due to delays in offloading the container.

7. Installation of Supplies

a) The assembly and installation of the Supplies at the Site are to be completed by the Buyer's contractors after completion of Site preparation by the Buyer which will be inspected by the Buyer's Project Coordinator to ensure they meet the requirements for installation of the modular stadium components. SixFive will provide an expert to oversee the installation by the Buyer's contractor. During the installation period the Buyer shall permit SixFive's employees, subcontractors or agents unlimited access to the Site provided said individuals comply with policies and procedures established for the Buyer's employees regarding such matters as health and safety issues.

b) With reasonable notice to SixFive, the Buyer and its authorized representatives shall, during reasonable working hours, be free to inspect the quality and conditions of the Supplies at SixFive's site(s) during fabrication and at any time upon arrival of the same at the Site and during the installation period. SixFive will notify in writing to the Buyer when the major materials are available for fabrication.

c) The Buyer at its sole expense shall provide SixFive with closed premises on or reasonably near the Site in which SixFive may store employee clothing and tools and equipment required for the installation. However, the Buyer does not assume any risk with respect to the loss or theft of any such items while on the Buyer's premises.

d) The Price reflects labour provided by SixFive. Any additional labour or costs required by local labour codes, etc. will be the responsibility of the Buyer.

e) The Supplies are manufactured according to SixFive's technical standards and engineering standards. If the Buyer requires compliance of the Supplies with any other technical or jurisdictional standards, these technical standards must be notified by the Buyer to SixFive within seven weeks of the Effective Date. All additional costs related to making the Supplies conform to those norms or specific standards shall be charged to the Buyer as a Change Order.

8. Preparatory Work

The Buyer shall have the sole responsibility, at its sole expense, for the design, engineering, and work required to prepare the Site for installation of the Supplies. An adequate area for the landing, unloading, sorting, and storage of the supplies must be made available prior to the installation.

9. Transportation and Insurance

SixFive shall at its own expense:

i) Obtain appropriate property and liability insurance covering loss or damage to the Supplies and injuries to individuals during the manufacturing of the Supplies and during the transportation of the Supplies from SixFive's facilities to the port of entry.

ii) Pay all freight and other transportation charges associated with delivery of the Supplies to the port of entry and have a representative present during the transfer of the Supplies from the port of entry to the Site.

iii) Maintain worker's compensation insurance during the assembly, installation and testing of the Supplies, as required by applicable law, covering its employees and, upon request from Buyer, provide a certificate of insurance evidencing such coverage.

Buyer shall at its own expense:

i) Obtain appropriate property and liability insurance covering loss or damage to the Supplies between delivery of the Supplies at the port of entry and the time when SixFive has been paid in accordance with the terms outlined in section section 3(b) above. All policies supplied by the Buyer shall name the Buyer and SixFive as insured parties.

ii) shall each maintain a minimum of CAD\$2.0 million excess liability insurance, subject to approval of SixFive, to cover liability associated with accidents, direct and indirect liability for bodily injury and death to individuals, damage to the property. This insurance must name SixFive and be in place for a period of two (2) years following the granting of occupancy.

iii) Pay all freight and other transportation charges associated with delivery of the Supplies from the port of entry to the Site and have a representative present during the transfer of the Supplies from the port of entry to the Site.

10. Export Documents, Duties and Foreign Taxes

SixFive will be responsible for obtaining all necessary export permits or licences relating to the Supplies and the Buyer will offer such reasonable assistance in this regard as SixFive may request. SixFive shall be liable for all export duties and all other taxes required to be paid outside of the Buyer's Country in connection with the sale of the Supplies.

11. Customs Duties, Buyer's Country Taxes, and Import Permits

The Buyer shall pay all sales, use, gross receipts, excise, and other taxes assessed or levied by the Buyer's Country or any other taxing jurisdiction, state or local, within the Buyer's Country, against the Buyer (including any fines, penalties, and interests thereof) as a result of or in connection with the importing of the Supplies.

The Buyer shall be responsible for obtaining all necessary permits or licences with respect to the importation of the Supplies in the Buyer's Country and the installation and use of the Supplies at the Site, and SixFive will offer the Buyer such reasonable assistance in this regard as the Buyer may request.

12. Design and Performance Warranty

SixFive hereby warrants that the Supplies will perform in accordance with applicable design and performance specifications and that the Shop Drawings will be completed to meet or exceed code requirements. All design services will be provided by qualified professionals. SixFive will provide the Buyer with a code compliance document issued by a registered code compliance engineer authorized to work in the jurisdiction where the modular stadium will be installed.

13. Material and Workmanship Warranty

SixFive hereby warrants that the Supplies will be free from defects in material and workmanship for a period of one (1) year from the Installation Date of the Supplies by the Buyer or fifteen (15) months

from the date the Supplies are delivered to the port of entry if the installation is delayed at the Buyer's request or through the Buyer's fault, whichever period is shorter.

An extended warranty for a period of ten (10) years from the Installation Date applies to all steel components including galvanized steel structure, galvanized steel guard rails, galvanized steel stair components, galvanized steel ramps, galvanized or electro-painted steel floor and roof panels, and galvanized steel media and disabled platforms.

An extended warranty for a period of five (5) years from the Installation Date applies to all plastic seats, media desks, windows, and flooring. Fading of plastic seats due to exposure to UV light over time is excluded from the extended warranty.

SixFive shall bear the cost and risk of loss during transport of (i) any defective part or components being returned to SixFive's factory with SixFive's agreement and (ii) any repaired or replacement item being returned to the Buyer. Products or parts returned without the agreement of SixFive shall be at the Buyer's sole risk and expense. SixFive shall bear any personnel costs incurred in connection with the fulfillment of SixFive's obligations under this warranty.

All warranties exclude damage due to negligence, failure to properly maintain the modular stadium components, or normal wear and tear.

The foregoing warranties are exclusive and are given and accepted in lieu of all other warranties of quality written or oral, express, or implied, and all other warranties are hereby disclaimed.

The warranty certificate will be issued only after all amounts due under this Agreement have been paid in full. Failure to comply with the payment requirements under this Agreement will void the warranty.

14. Logging of Maintenance

The Buyer shall keep a logbook of maintenance for the Supplies. In this logbook shall be documented all sessions of operation of the Supplies as well as any problems encountered during operation of the Supplies. If the Buyer requests assistance from SixFive in resolving a problem with the Supplies and the information in the log is relevant to this resolution, the Buyer may at its sole discretion make the log available to SixFive. If the Buyer presents a claim against the warranty provided by SixFive, a copy of the log must be made available to SixFive. It is understood by SixFive that the information contained in the Log may be of a proprietary nature and is therefore covered by the confidentiality agreement between the parties.

15. Training

SixFive agrees to provide up to two days of training in the operation, preventative maintenance and repair to the Buyers' personnel at the Site during or immediately after the installation period, with the exact dates and times to be mutually agreed by the Buyer and SixFive. The cost of such training shall be the responsibility of SixFive.

16. Disclaimer of Liability for Personal Injury

SixFive and the Buyer hereby acknowledge that SixFive shall not incur any liability for personal injury to any party arising out of the installation, operations and/or maintenance of the Supplies unless such liability is solely caused by a gross negligence on the part of SixFive in the design, implementation or documentation including but not limited to maintenance and operation manuals for

the Supplies. In order to give effect to these limitations of SixFive's liability, and as an express condition of sale, the Buyer hereby agrees to indemnify and hold SixFive harmless from any and all claims, but limited by the exclusion of negligent acts or omissions as outlined in the preceding sentence, damages, and liability, including reasonable legal fees, arising out of a claim against SixFive for personal injuries of any party occasioned by the operation and/or maintenance of such Supplies.

17. Liability for Consequential Damages

SixFive's liability to the Buyer for damages howsoever caused shall under no circumstances whatsoever (including the decision of an arbitration panel or court of law) exceed the payments actually received by SixFive for the Supplies and SixFive shall under no circumstances have any liability for special, incidental, indirect, or consequential damages, including without limitation liability for loss of use, loss of profits, damage, or injury to other property or persons.

18. Intellectual Property

All intellectual property rights arising from the design and supply of the modular stadium, including but not limited to drawings, plans, specifications, and technical documentation, shall remain the property of the Supplier, unless otherwise agreed upon in writing by the Parties.

19. Proprietary Information

The modular stadium components are protected under international patent law, patent no PI200771313, and all proprietary information shared with the Buyer shall remain confidential and the sole property of SixFive. The Buyer shall not directly or indirectly allow any of the components to be manufactured, copied, or reproduced in any fashion without the prior written consent of SixFive which may be withheld for any reason.

20. Excusable Delay

If any party hereunder or considered a supplier of SixFive is prevented, restricted, or interfered with by reason of i) fire, explosion, strike, lockout, labour dispute, casualty or accident, epidemic, cyclone, drought, flood or ii) war, revolution, riot, civil commotion, acts of public enemies, blockage, or embargo, or iii) any law or proclamation, regulation, ordinance, demand or requirement of any applicable government or any subdivision thereof or representative of any such government, or iv) any other acts acts of God or issues in supply chain delay outside of the control of SixFive, then, and in that event, SixFive shall promptly notify the Buyer of the issue and estimated impact, delays, if any, to the delivery of the Supplies. Upon such notice, the delay, if any, shall be considered an Excusable Delay ("Excusable Delay"), where SixFive will be excused from the performance of such of its obligations as are prevented, restricted, or interfered with by reason of the occurrence of any of the events outlined above. Such delays with not be deemed a default under this Agreement nor be subject to any liability or damage.

The time period during which any party is to perform under this Agreement shall be extended by the period of any Excusable Delay. Excusable Delay under the same terms occurring in respect to SixFive's sub-contractors shall be deemed to be Excusable Delay occurring to SixFive.

21. Destruction of Supplies

In the event that prior to the delivery of the Supplies, the Supplies are lost, destroyed or damaged to such an extent that they cannot be repaired and delivered in accordance with the delivery schedule outlined within this agreement, the time reasonably required by SixFive to furnish a replacement for

the Supplies or to accomplish such repairs shall be deemed an Excusable Delay under the Section entitled "Excusable Delay" and SixFive shall not be deemed to be in default or to have breached its duties hereunder.

22. Termination

a) Termination for Convenience: Either Party may terminate this Agreement for convenience by providing thirty (30) days written notice to the other Party until such time as the Shop Drawings have been approved.

In such a case, if the terminating party within the period outlined above is SixFive, then SixFive shall return to the Buyer any funds held from the down payment outlined in section 3(b)(i), less any reasonable costs incurred by SixFive at the point of termination.

If the terminating party within the period outlined above is the Buyer, then:

- a) any deposits outlined in section 3 and other fees paid by the Buyer at the point of termination shall be considered earned, with no refund payable to the Buyer;
- b) After the Shop Drawings have been approved or manufacturing for the modular stadium has begun, all fees outlined in Section 3(b) (i) and (ii) shall be considered earned and no refund will be payable to the Buyer;
- c) If termination is made upon the Supplies being shipped, then the Buyer shall be liable for paying all fees payable as outlined in Section 3 above.

b) Termination for Cause: Either Party may terminate this Agreement for cause in the event of a material breach by the other Party. The terminating Party shall provide written notice specifying the nature of the breach. The non-breaching Party shall have a reasonable opportunity to cure the breach. If the breach is not cured within the specified timeframe, the Agreement may be terminated, and the non-breaching Party shall be entitled to pursue any available legal remedies.

c) Termination for Insolvency

In the event that either the Buyer or SixFive:

- a) makes a general assignment for the benefit of creditors or becomes insolvent;
- b) files an insolvency petition in bankruptcy;
- c) petitions for or acquiesces in the appointment of any receiver, trustee or similar officer to liquidate or conserve its business or any substantial part of its assets;
- d) commences, under the laws of any jurisdiction, any proceeding involving its insolvency, bankruptcy, reorganization, adjustment of debt, dissolution, liquidation or any other similar proceeding for the release of financially distressed debtors; or;
- e) becomes a party to any proceeding or action of the type described above in c) or d) and such proceeding or action remains undismissed or unstayed for a period of more than sixty (60) days,

then the other party may, by written notice, terminate this Agreement as outlined in section 22 (a) above.

23. Spare Parts

SixFive agrees to make available to the Buyer, as the Buyer may from time to time require, spare parts and components to the Supplies, and SixFive agrees to exert reasonable efforts to meet the Buyer's delivery requirements for said parts and components or acceptable substitutes. It is

understood that the parties shall negotiate in good faith reasonable and mutually agreeable prices for said spare parts and components.

24. Entire Agreement

This Agreement, made in two originals, one for each party, contains the entire agreement between the parties and shall supersede all previous communications and agreements, whether oral or written, with respect to the subject matter hereof and the provisions hereof may not be modified or superseded except by an instrument in writing signed by a duly authorized officer or representative of each of the parties hereto.

25. Authorization

By virtue of having affixed their respective signatures below, each of the parties hereto warrants that it has obtained all authorization necessary to enter into and perform its obligations under this Agreement.

26. Effective Date

This Agreement shall become effective as of the date of execution by both parties (Effective Date”)

27. Disputes

With respect to any controversy arising out of or relating to this Agreement, such controversy shall be settled by final and binding arbitration in Houston, Texas, USA, in accordance with the then-existing rules (the “Rules”) of the American Arbitration Association ("AAA") and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof provided, however, that the law applicable to any controversy and the law by which this Agreement shall be construed and governed shall be the law of the State of Texas, regardless of its or any jurisdiction’s choice of law principles. In any arbitration, pursuant to this Agreement, the award or decision shall be rendered by a majority of the members of a Board of Arbitration consisting of three (3) members, one of whom shall be appointed by each party and the third of whom shall be the Chairman of the panel and be appointed by mutual agreement of said two party-appointed arbitrators.

In the event of failure of said two arbitrators to agree upon the appointment of the third arbitrator within sixty (60) days after the commencement of the arbitration proceeding, the third arbitrator shall be appointed by the AAA in accordance with the Rules. In the event that either party shall fail to appoint an arbitrator within thirty (30) days after the commencement of the arbitration proceeding, such arbitrator and the third arbitrator shall be appointed by the AAA in accordance with the Rules. The Rules of Evidence and the Right to Discovery shall be applicable to both parties.

Work under this Agreement shall continue during the arbitration proceedings and payments due to SixFive shall not be withheld on account of such proceedings unless such work or payment is the subject matter of the arbitration in which case this provision shall not apply to such work or payment.

The parties agree to equally share the expenses associated with this arbitration procedure.

28. Governing Laws

This Agreement shall be governed by and construed in all respects in accordance with the laws of the Province of Ontario, Canada.

29. Notices

Any notice given under this Agreement shall be made in writing, shall be given by registered mail to:

In the case of SixFive:

SixFive Stadium Experience Inc
388-1111 West Hastings Street
Vancouver, BC, V6E 2J3
Attn: Dean Shillington

In the case of the Buyer:

Woodbridge Soccer Club
7401 Martingrove Rd Woodbridge L4L 9E4
Attn: Adam Candido

Either party, by written notice to the other, may change the address to which notices will be directed. Any notice shall be deemed given on the date evidencing the delivery.

30. Project Coordinator

Upon signing this Agreement, both parties shall designate a representative who will act as Project Coordinator and official addressee for all communication resulting from this Agreement, other than any official notice given under the Section 28 entitled "Notices". All requests for service, transmittals of information, reports on training activity, and other communication required under this agreement shall be sent by and directed to the respective Project Coordinators. Informal conversations occurring person-to-person or by phone, requests and information shall be validated by an appropriate written form as confirmation. Any communication sent to others than those designated as Project Coordinators, or in a manner not in accordance with the Notices procedure specified in this Agreement will be considered as informal and non-existent.

31. Assignment

This Agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective successors and assignees, but neither the rights nor the duties of either party hereunder may be assigned, in whole or in part by either party, without the prior written consent of the other party. Such consent shall not be unreasonably withheld by either party. Any assignment shall not relieve the assignee of any of the Agreement obligations of the assignor.

32. Headings

The headings contained within this Agreement are established solely for the convenience of the two parties and are not intended to and do not limit, construe, or modify any of the terms and conditions included hereof.

33. Severability

If any term or provision of this Agreement is held to be illegal or unenforceable, then this Agreement, except for such part or parts thereof, shall continue to be in full force and effect.

In the event of any inconsistency between a provision of the conditions of the Agreement and the content of an Appendix to this Agreement, and if the parties cannot agree on the clause to take

precedence, the AAA of Section 29 will be asked to mediate/arbitrate the dispute and the parties agree to abide by the finding of said association.

34. Non-Waiver

The failure by either party to enforce at any time or for any period of time any of the provisions hereof shall not be a waiver of such provisions nor of the right of such party thereafter to enforce such provisions.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in duplicate by their duly qualified officers or representatives.

SixFive Stadium Experience Inc.

Name:
Title:

Buyer

Name: Mike Rietta
Title: President WSC