

**BID AND ACCEPTANCE FORM**  
CONSTRUCTION CONTRACT - MINOR WORKS

Solicitation / File Number: 465-1-11-C23
Project: AAFC - CSIDC - Outlook, Sask.
Contract: #23 - Boiler System

**MAIL OR DELIVER BID TO:**  
Agriculture and Agri-Food Canada  
Western Service Centre  
300 - 2010 12 Ave  
Regina, SK S4P 0M3

**BID CLOSING TIME:**  
Tuesday, November 03, 2015  
Day of week, Month, Day, Year  
at 02:00  AM  PM local time.

**DESCRIPTION OF WORKS:**  
The work general consists of replacement of the boiler system at the Canada - Saskatchewan Irrigation Diversification Centre, 901 McKenzie Street South, Outlook, Saskatchewan.

**INSTRUCTIONS TO BIDDERS:**  
Bidders shall be governed by the following instructions:  
- SPECIAL INSTRUCTIONS TO BIDDERS - Form AAFC / AAC5318-E  
- INSTRUCTIONS TO BIDDERS - Form AAFC / AAC5319-E

The following additional documents form an attachment to this BID AND ACCEPTANCE FORM:  
 No additional document attachments

**OFFER AND AGREEMENT**

1. The undersigned bidder (hereinafter called the "Contractor") hereby offers to Her Majesty the Queen in right of Canada, as represented by the Minister of Agriculture and Agri-Food (hereinafter called "Canada"), to furnish all necessary labour, plant and material and to execute and complete in a satisfactory and workmanlike manner all the work required under this contract for the consideration of the unit or lump sum price or prices set forth in the Price Table below. The Contractor agrees that these prices include all applicable provincial sales taxes, ancillary taxes and any commodity tax. Note: Do not include Applicable Taxes (GST/HST/QST) as defined in the General Conditions in price(s).

PRICE TABLE					
Item	Class of Labour, Plant, or Material	Unit of Measurement	Estimated Total Quantity	Price Per Unit	Estimated Total Price
1	Boiler System	lump sum	1		
NOTE: Both price per unit and estimated total price must be filled in for each item in the Price Table. All estimated total prices will be subject to verification by Canada. In case of variation between the price per unit and the estimated total price, the price per unit will be considered to be the price bid.				<b>Total Bid</b>	

2. The Contractor shall perform and complete the Work on or before 2015-12-31.
3. The Contractor hereby acknowledges receipt of the following addenda to the bid documents (give number and date of each):  
Addenda numbers: \_\_\_\_\_ Dates: \_\_\_\_\_
4. The Contractor agrees that this offer: supersedes and cancels all communications, negotiations, and agreements relating to the work other than contained in this completed bid or any amendment incorporated by mutual agreement between the Contractor and Canada before acceptance of this Offer and Agreement; is irrevocable for 30 days after the Bid Closing Time shown hereon.
5. The Contractor agrees, that the complete bid together with and subject to all the provisions contained herein shall, when accepted and executed on behalf of Canada, constitute a binding contract between the Contractor and Canada.
6. The following additional documents form an attachment to a binding contract:
- 6.1 GENERAL CONDITIONS FOR MINOR WORKS - Form AAFC / AAC5316-E
  - 6.2 Specifications
  - 6.3 Insurance Terms

**BID AND ACCEPTANCE FORM (Continued)**

**CONTRACTOR'S FULL BUSINESS NAME (Please print or type)**

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**CONTRACTOR'S BUSINESS ADDRESS (for all purposes of or incidental to the contract)**

Unit/Suite/Apt.	Street number	Number suffix	Street name	Street type	Street direction	
PO Box or Route Number		Municipality (City, Town, etc.)			Province	Postal code
Telephone number	Ext.	Facsimile number	E-mail (optional)		GST/HST number	

Attested to and Delivered on Behalf of the Contractor this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
MonthYear

CONTRACTOR'S or, where applicable, SIGNING OFFICER'S SIGNATURE(S)	TITLE(S)	In the presence of: WITNESS SIGNATURE(S)

NOTE: Corporate Firms shall affix their Corporate Seal if applicable.

(FOR DEPARTMENTAL USE ONLY)

Accepted and Executed on Behalf of Canada this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
MonthYear

SIGNATURE	TITLE	In the presence of: WITNESS SIGNATURE

Bid opened in Regina on Tuesday, November, 03, 2015 at 02:00  AM  PM local time.  
LocationDay of weekMonthDayYear

in the presence of \_\_\_\_\_  
 \_\_\_\_\_



## SPECIAL INSTRUCTIONS TO BIDDERS

- SI01 Bid Documents
- SI02 Enquiries during the Solicitation Period
- SI03 site visit
- SI04 Revision of Bid
- SI05 Bid Results
- SI06 Bid Validity Period
- SI07 Construction Documents
- SI08 Personnel Security Requirements

### SI01 BID DOCUMENTS

- 1) The following are the bid documents:

- (a) SPECIAL INSTRUCTIONS TO BIDDERS;
- (b) INSTRUCTIONS TO BIDDERS - Form A5319-E; and,
- (c) BID AND ACCEPTANCE FORM - Form A5312-E and any attachments thereto.

Canada reserves the right to revise or amend the Bid Documents prior to the date set for opening bids. Such revisions or amendments, if any, will be announced by an addendum or addenda to the documents.

Submission of a bid constitutes acknowledgement that the Bidder has read and agrees to be bound by these documents.

### SI02 ENQUIRIES DURING THE SOLICITATION PERIOD

- 1) Enquiries regarding this bid must be submitted in writing to the Contracting Officer. The Contracting Officer for the purpose of this bid is:

Colby Collinge, A/Material Manager  
Agriculture and Agri-Food Canada  
Western Service Centre  
300 - 2010 12th Ave, Regina, Sask. S4P 0M3  
306-523-6546 colby.collinge@agr.gc.ca

- 2) Except for the approval of alternative materials as described in IB14 of the INSTRUCTIONS TO BIDDERS, enquiries should be received no later than five (5) calendar days prior to the date set for solicitation closing to allow sufficient time to provide a response. Enquiries received after that time may not result in an answer being provided.
- 3) To ensure consistency and quality of the information provided to Bidders, the Contracting Officer shall examine the content of the enquiry and shall decide whether or not to issue an amendment.
- 4) All enquiries and other communications related to this bid sent throughout the solicitation period are to be directed ONLY to the Contracting Officer. Non-compliance with this requirement during the solicitation period can, for that reason alone, result in disqualification of a bid.

## **SPECIAL INSTRUCTIONS TO BIDDERS (Continued)**

### **SI03 SITE VISIT**

- 1) Before submitting their bid, the Contractor shall examine the jobsite, construction and storage areas, compare drawings and specifications with existing conditions, and fully satisfy themselves as to all data and matters required for the completion of the contract.
- 2) There is no site visit planned. Bidders interested in viewing the site are requested to make arrangements with the Contracting Officer.

### **SI04 REVISION OF BID**

- 1) A bid may be revised by letter or facsimile in accordance with IB10 of the INSTRUCTIONS TO BIDDERS. The facsimile number for receipt of revisions is: 306 780-5018 .

### **SI05 BID RESULTS**

- 1) Following bid closing, bid results may be obtained from the bid receiving office by calling telephone number 306 523-6610 ext. .

### **SI06 BID VALIDITY PERIOD**

- 1) Canada reserves the right to seek an extension to the bid validity period prescribed in Clause 4 of the BID AND ACCEPTANCE FORM. Upon notification in writing from Canada, Bidders shall have the option to either accept or reject the proposed extension.

### **SI07 CONSTRUCTION DOCUMENTS**

- 1) The successful contractor will be provided with one paper copy of the sealed and signed drawings, the specifications and the amendments upon acceptance of the offer. Additional copies, up to a maximum of two ( 2 ), will be provided free of charge upon request by the Contractor. Obtaining more copies shall be the responsibility of the Contractor including costs.

### **SI08 PERSONNEL SECURITY REQUIREMENTS**

- 1) The successful Bidder's personnel, as well as any subcontractor and its personnel, who are required to perform any part of the work pursuant to the subsequent contract, must meet the following contract security requirements:
  - Unscreened personnel may be used for the work. Unscreened personnel will not need an escort.



## INSTRUCTIONS TO BIDDERS

- IB01 Completion of Bid
- IB02 Identity or Legal Capacity of the Bidder
- IB03 Applicable Taxes
- IB04 Tax to Be Included
- IB05 Capital Development and Redevelopment Charges
- IB06 Registry and Pre-qualification of Floating Plant
- IB07 Listing of Subcontractors and Suppliers
- IB08 Bid Security Requirements
- IB09 Submission of Bid
- IB10 Revision of Bid
- IB11 Acceptance of Bid
- IB12 Bid Costs
- IB13 Compliance with Applicable Laws
- IB14 Approval of Alternative Materials
- IB15 Income Tax Requirement
- IB16 Contingency Fees
- IB17 Status of the Bidder

### **IB01 Completion of Bid**

- 1) The bid shall be:
  - (a) submitted on the BID AND ACCEPTANCE FORM provided by AAFC or on a clear and legible reproduced copy of such BID AND ACCEPTANCE FORM that must be identical in content and format to the BID AND ACCEPTANCE FORM provided by AAFC;
  - (b) based on the Bid Documents listed in the SPECIAL INSTRUCTIONS TO BIDDERS;
  - (c) correctly completed in all respects;
  - (d) signed, with an original signature, by a duly authorized representative of the Bidder; and
  - (e) accompanied by any other document or documents specified elsewhere in the solicitation where it is stipulated that said documents are to accompany the bid.
- 2) Subject to paragraph 6) of IB11, any alteration to the pre-printed or pre-typed sections of the BID AND ACCEPTANCE FORM, or any condition or qualification placed upon the bid shall be cause for disqualification. Alterations, corrections, changes or erasures made to statements or figures entered on the BID AND ACCEPTANCE FORM by the Bidder shall be initialed by the person or persons signing the bid. Initials shall be original(s). Alterations, corrections, changes or erasures that are not initialed shall be deemed void and without effect.
- 3) Unless otherwise noted elsewhere in the Bid Documents, facsimile copies of bids are not acceptable.

### **IB02 Identity or Legal Capacity of the Bidder**

- 1) In order to confirm the authority of the person or persons signing the bid or to establish the legal capacity under which the Bidder proposes to enter into Contract, any Bidder who carries on business in other than its own personal name shall, if requested by Canada, provide satisfactory proof of:
  - (a) such signing authority; and
  - (b) the legal capacity under which it carries on business;prior to contract award. Proof of signing authority may be in the form of a certified copy of a resolution naming the signatory(ies) that is (are) authorized to sign this bid on behalf of the

## INSTRUCTIONS TO BIDDERS (Continued)

corporation or partnership. Proof of legal capacity may be in the form of a copy of the articles of incorporation or the registration of the business name of a sole proprietor or partnership.

### IB03 Applicable Taxes

- 1) Bidders are not to include any amounts for Applicable Taxes (Goods and Services Tax (GST), Harmonized Sales Tax (HST) or Quebec Sales Tax (QST), whichever is applicable. Any amount levied in respect of Applicable Taxes shall be billed as a separate item in a progress claim submitted by the Contractor, and shall be paid to the Contractor in addition to the amount approved by Canada for work performed under the Contract. The Contractor shall be required to remit the appropriate amount to the appropriate tax authority in accordance with the applicable legislation.

### IB04 Tax to Be Included

- 1) The Contractor is not entitled to use Canada's exemptions from any tax, such as provincial sales taxes, unless otherwise specified by law. The Contractor must pay applicable provincial sales tax, ancillary taxes, and any commodity tax, on taxable goods or services used or consumed in the performance of the Contract (in accordance with applicable legislation), including for material incorporated into real property.

### IB05 Capital Development and Redevelopment Charges

- 1) For the purposes of GC1.5 in the General Conditions of the Contract, only fees or charges directly related to the processing and issuing of building permits shall be included. The Bidder shall not include any monies in the bid amount for special municipal development, redevelopment or other fees or charges which a municipal authority may seek as a prerequisite to the issuance of building permits.

### IB06 Registry and Pre-qualification of Floating Plant

- 1) Dredges or other floating plant to be used in the performance of the Work must be of Canadian registry. For dredges or other floating plant that are not of Canadian make or manufacture, the Bidder must obtain a certificate of qualification from Industry Canada and this certificate must accompany the bid. Plant so qualified by Industry Canada may be accepted on this project.

### IB07 Listing of Subcontractors and Suppliers

- 1) Notwithstanding any list of Subcontractors that the Bidder may be required to submit as part of the bid, the Bidder submitting the lowest acceptable bid shall, within 48 hours of receipt of a notice to do so, submit all information requested in the said notice including the names of Subcontractors and Suppliers for the part or parts of the Work listed. Failure to do so may result in the disqualification of its bid.

### IB08 Bid Security Requirements

- 1) **NO** bid security is required for this solicitation notice.

### IB09 Submission of Bid

- 1) The BID AND ACCEPTANCE FORM, duly completed, shall be enclosed and sealed in an envelope provided by the Bidder, and shall be addressed and submitted to the office designated

## **INSTRUCTIONS TO BIDDERS (Continued)**

on the Front Page of the BID AND ACCEPTANCE FORM for the receipt of bids. The bid must be received on or before the date and time set for solicitation closing.

- 2) Unless otherwise specified in the SPECIAL INSTRUCTIONS TO BIDDERS
  - (a) the bid shall be in Canadian currency;
  - (b) exchange rate fluctuation protection is not offered; and
  - (c) any request for exchange rate fluctuation protection shall not be considered.
- 3) Prior to submitting the bid, the Bidder shall ensure that the following information is clearly printed or typed on the face of the bid envelope:
  - (a) Solicitation/File Number;
  - (b) Name of Bidder;
  - (c) Return address; and
  - (d) Closing Date and Time.
- 4) Subject to paragraph 6) of IB11, failure to comply with paragraphs 1), 2) and 3) of IB09 shall render the bid liable to disqualification. Timely and correct delivery of bids is the sole responsibility of the Bidder.

### **IB10 Revision of Bid**

- 1) A bid submitted in accordance with these instructions may be revised by letter or facsimile provided the revision is received at the office designated for the receipt of bids, on or before the date and time set for the closing of the bid. The letter or facsimile shall:
  - (a) be on the Bidder's letterhead or bear a signature that identifies the Bidder;
  - (b) for the lump sum portion of a bid, clearly identify the amount of the current revision. The total aggregate sum of all revisions submitted, including the current revision, shall be shown separately; and
  - (c) for the Price Per Unit portion of a bid, clearly identify the change(s) in the Price(s) per Unit and the specific Item(s) to which each change applies. If a revision is to be applied to a specific Item that was previously amended then, in addition to the amount of the current revision, the total aggregate sum of all revisions submitted, including the current revision, for that Item shall be shown separately.
- 2) A letter or facsimile submitted to confirm an earlier revision shall be clearly identified as "CONFIRMATION ONLY" for each contemplated change.
- 3) Failure to comply with any of the above provisions shall result in the rejection of the non-compliant revision(s) only. The bid shall be evaluated based on the original bid submitted and all other compliant revision(s).

### **IB11 Acceptance of Bid**

- 1) Canada may accept any bid, whether it is the lowest or not, or may reject any or all bids.
- 2) Without limiting the generality of paragraph 1) of IB11, Canada may reject a bid if any of the following circumstances is present:
  - (a) the Bidder, or any employee or subcontractor included as part of the bid, has been convicted under section 121 ("Frauds on the government" & "Contractor subscribing to election fund"), 124 ("Selling or purchasing office"), 380 ("Fraud committed against Her Majesty") or 418 ("Selling defective stores to Her Majesty") of the Criminal Code of Canada; or under paragraph 80(1)(d) ("False entry, certificate of return"), subsection 80(2) ("Fraud against Her Majesty") or Section 154.01 ("Fraud against Her Majesty") of the *Financial Administration Act*;
  - (b) the Bidder's bidding privileges are suspended or are in the process of being suspended;

## INSTRUCTIONS TO BIDDERS (Continued)

- (c) the bidding privileges of any employee or subcontractor included as part of the bid are suspended or are in the process of being suspended, which suspension or pending suspension would render that employee or subcontractor ineligible to bid on the Work, or the portion of the Work the employee or subcontractor is to perform;
  - (d) with respect to current or prior transactions with Canada
    - (i) the Bidder is bankrupt or if, for whatever reason, its activities are rendered inoperable for an extended period;
    - (ii) evidence, satisfactory to Canada, of fraud, bribery, fraudulent misrepresentation or failure to comply with any law protecting individuals against any manner of discrimination, has been received with respect to the Bidder, any of its employees or any subcontractor included as part of its bid;
    - (iii) Canada has exercised, or intends to exercise, the contractual remedy of taking the work out of the contractor's hands with respect to a contract with the Bidder, any of its employees or any subcontractor included as part of its bid; or
    - (iv) Canada determines that the Bidder's performance on other contracts is sufficiently poor to jeopardize the successful completion of the requirement being bid on.
- 3) In assessing the Bidder's performance on other contracts pursuant to subparagraph 2)(d)(iv) of IB11, Canada may consider, but not be limited to, such matters as:
- (a) the quality of workmanship in performing the Work;
  - (b) the timeliness of completion of the Work;
  - (c) the overall management of the Work and its effect on the level of effort demanded of the department and its representative; and
  - (d) the completeness and effectiveness of the Contractor's safety program during the performance of the Work.
- 4) Without limiting the generality of paragraphs 1), 2) and 3) of IB11, Canada may reject any bid based on an unfavourable assessment of the:
- (a) adequacy of the bid price to permit the work to be carried out and, in the case of a bid providing prices per unit or a combination of lump sum and prices per unit, whether each such price reasonably reflects the cost of performing the part of the work to which that price applies;
  - (b) Bidder's ability to provide the necessary management structure, skilled personnel, experience and equipment to perform competently the work under the Contract; and
  - (c) Bidder's performance on other contracts.
- 5) If Canada intends to reject a bid pursuant to a provision of paragraphs 1), 2), 3) or 4) of IB11, other than subparagraph 2)(b) of IB11, Canada shall so inform the Bidder and provide the Bidder ten (10) days within which to make representations, prior to making a final decision on the bid rejection.
- 6) Canada may waive informalities and minor irregularities in bids received if Canada determines that the variation of the bid from the exact requirements set out in the Bid Documents can be corrected or waived without being prejudicial to other Bidders.

### IB12 Bid Costs

- 1) No payment will be made for costs incurred in the preparation and submission of a bid in response to the bid solicitation. Costs associated with preparing and submitting a bid, as well as any costs incurred by the Bidder associated with the evaluation of the bid, are the sole responsibility of the Bidder.



## **INSTRUCTIONS TO BIDDERS (Continued)**

### **IB13 Compliance with Applicable Laws**

- 1) By submission of a bid, the Bidder certifies that the Bidder has the legal capacity to enter into a contract and is in possession of all valid licences, permits, registrations, certificates, declarations, filings, or other authorizations necessary to comply with all federal, provincial and municipal laws and regulations applicable to the submission of the bid and entry into any ensuing contract for the performance of the work.
- 2) For the purpose of validating the certification in paragraph 1) of IB13, a Bidder shall, if requested, provide a copy of every valid licence, permit, registration, certificate, declaration, filing or other authorization listed in the request, and shall provide such documentation within the time limit(s) set out in the said request.
- 3) Failure to comply with the requirements of paragraph 2) of IB13 shall result in disqualification of the bid.

### **IB14 Approval of Alternative Materials**

- 1) When materials are specified by trade names or trademarks, or by manufacturers' or suppliers' names, the bid shall be based on use of the named materials. During the bid period, alternative materials may be considered provided full technical data is received in writing by the Contracting Officer at least 10 calendar days prior to the bid closing date.

### **IB15 Income Tax Requirement**

- 1) Payments made under applicable contracts must be reported by Canada for taxation purposes. To comply with this requirement, the successful bidder shall provide to Canada immediately upon award: its legal name; address; and Revenue Canada identifier (SIN, BN, GST/HST, T2N number) as is applicable.

### **IB16 Contingency Fees**

- 1) The Bidder declares that the Bidder has not, directly or indirectly, paid or agreed to pay, and will not, directly or indirectly, pay a contingency fee to any individual for the solicitation, negotiation or obtaining of the contract if the payment of the fee would require the individual to file a return under section 5 of the *Lobbying Act*.

### **IB17 Status of the Bidder**

- 1) The Bidder declares that the Bidder has not been convicted of an offence, other than an offence for which a pardon has been granted, under section 121, 124 or 418 of the *Criminal Code*.

## INSURANCE TERMS

### IN1    GENERAL

IN1.1    Worker's Compensation

IN1.2    Indemnification

IN1.3    Proof of Insurance

IN1.4    Insured

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IN2.2    Period of Insurance

### IN3    AUTOMOBILE INSURANCE

IN3.1    Scope of Policy

### IN1    GENERAL

#### IN1.1    Worker's Compensation

- 1) The Contractor shall provide and maintain Worker's Compensation Insurance in accordance with the legal requirements of the Province or Territory where the work is being carried out.

#### IN1.2    Indemnification

- 1) The insurance required by the provisions of these Insurance Terms shall in no way limit the Contractor's responsibility under the Indemnification clause of the General Conditions of the contract. Any additional coverage the Contractor may deem necessary to fulfill his obligations under the aforesaid clause shall be at his own discretion and expense.

#### IN1.3    Proof of Insurance

- 1) Before commencement of the Work, and within thirty (30) days after acceptance of its bid, the Contractor shall deposit with Canada a CERTIFICATE OF INSURANCE (form AAFC / AAC5314) available upon request.
- 2) Upon request by Canada, the Contractor shall provide originals or certified true copies of all contracts of insurance maintained by the Contractor pursuant to the provisions contained herein.

#### IN1.4    Insured

- 1) Each policy shall insure the Contractor and shall include Her Majesty the Queen in right of Canada, represented by the Minister of Agriculture & Agri-Food Canada as an additional Insured, with respect to liability arising out of the operations of the contractor with regard to the work.

#### IN1.5    Payment of Deductible

- 1) The payment of monies up to the deductible amount made in satisfaction of a claim shall be borne by the Contractor.

## **INSURANCE TERMS (Continued)**

### **IN2 COMMERCIAL GENERAL LIABILITY**

#### **IN2.1 Scope of Policy**

- 1) The insurance coverage provided shall not be less than that provided by IBC Form 2100, as amended from time to time, and shall have:
  - (a) an Each Occurrence Limit of not less than \$1,000,000.00 ;
  - (b) a Products/Completed Operations Aggregate Limit of not less than \$1,000,000.00 ; and
  - (c) a General Aggregate Limit of not less than \$2,000,000.00 per policy year, if the policy is subject to such a limit.
- 2) The policy shall either include or be endorsed to include coverage for the following exposures or hazards if the Work is subject thereto:
  - (a) Blasting.
  - (b) Pile driving and caisson work.
  - (c) Underpinning.
  - (d) Removal or weakening of support of any building or land whether such support be natural or otherwise if the work is performed by the insured contractor.
  - (e) Asbestos.
  - (f) Non-owed Automobile Policy.

#### **IN2.2 Period of Insurance**

- 1) Unless otherwise directed in writing by Canada, or, otherwise stipulated elsewhere herein, the policy required herein shall be in force and be maintained from the date of contract award until the day of issue of the Certificate of Completion except that the coverage for Completed Operations Liability shall, in any event, be maintained for a period of at least six (6) years beyond the date of the CERTIFICATE OF COMPLETION.

### **IN3 AUTOMOBILE INSURANCE**

#### **IN3.1 Scope of Policy**

- 1) Automobile Liability Insurance in respect of licensed vehicles shall have limits of not less than one million dollars inclusive per occurrence for bodily injury, death, and damage to property.



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## GENERAL CONDITIONS FOR MINOR WORKS

### GC 1 GENERAL PROVISIONS

#### GC 1.1 Definition

- "Applicable Taxes" means the Goods and Services Tax (GST), the Harmonized Sales Tax (HST), and any provincial tax, by law, payable by Canada such as, the Quebec Sales Tax (QST) as of April 1, 2013.
- "Canada", "Her Majesty" means Her Majesty, the Queen in right of Canada;
- "Contract" means the contract documents referred to as such therein and every other document specified or referred to in any of them as forming part of the Contract, all as amended by agreement of the parties;
- "Contractor" means a person, with whom Canada enters into a Contract to do the Work;
- "Departmental Representative" means the person designated in the Contract, or by written notice to the Contractor, to act as the Departmental Representative for the purposes of the Contract, and includes a person, designated and authorized in writing by the Departmental Representative to the Contractor;
- "Material" includes all commodities, articles, machinery, equipment, fixtures and things required to be furnished in accordance with the Contract for incorporation into the Work;
- "Person" includes, unless there is an express stipulation in the Contract to the contrary, any partnership, proprietorship, firm, joint venture, consortium or corporation;
- "Plant" includes all tools, implements, machinery, vehicles, structures, equipment, articles and things that are necessary for the performance of the Contract, other than Material and those tools customarily provided by a trades person in practicing a trade;
- "Work" means everything that is necessary to be done, furnished or delivered by the Contractor to perform the Contract in accordance with the Contract Documents;

#### GC 1.2 Contract Documents

1. In interpreting the Contract, in the event of discrepancies or conflicts between anything in the Drawings and Specifications or Scope of Work and the General Conditions, the General Conditions govern.
2. In interpreting the Drawings and Specifications, in the event of discrepancies or conflicts between:
  - (a) the Drawings and Specifications, the Specifications govern;
  - (b) the Drawings, the Drawings with the largest scale govern; and
  - (c) figured dimensions and scaled dimensions, the figured dimensions govern.

#### GC 1.3 Assignment

1. This Contract shall not be assigned without the written consent of Canada.

#### GC 1.4 Subcontracting

1. The Contractor shall:
  - (a) not subcontract the whole or any part of the Work without the written consent of the Departmental Representative except for subcontracts specified in the Contract; and
  - (b) ensure that all subcontracts entered into at any tier shall incorporate all the terms and conditions of the Contract that can reasonably be applied thereto.

## GENERAL CONDITIONS FOR MINOR WORKS (Continued)

### GC 1.5 Laws, Permits and Taxes

1. The Contractor shall comply with all legislative and regulatory provisions whether federal, provincial, territorial or municipal applicable to the performance of the Work and shall require compliance therewith by all of its subcontractors and suppliers at any tier as if the Work were being performed for an owner other than Canada.
2. Unless otherwise provided for in the Contract, the Contractor shall obtain all permits and hold all certificates and licenses required for the performance of the Work.
3. Applicable Taxes will be paid by Canada at time when a progress payment is being made. It is the sole responsibility of the Contractor to charge Applicable Taxes at the correct rate in accordance with applicable legislation. The Contractor agrees to remit to appropriate tax authorities any amounts of Applicable Taxes paid or due.
4. The Contractor is not entitled to use Canada's exemptions from any tax, such as provincial sales taxes, unless otherwise specified by law. The Contractor must pay applicable provincial sales tax, ancillary taxes, and any commodity tax, on taxable goods or services used or consumed in the performance of the Contract (in accordance with applicable legislation), including for material incorporated into real property.

### GC 1.6 Former Public Office Holders

1. No former public office holder who is not in compliance with the post-employment provisions of the Conflict of Interest and Post-Employment Code for Public Office Holders shall derive a direct benefit from the Contract.

### GC 1.7 Status of the Contractor

1. The Contractor is engaged as an independent Contractor for the sole purpose of performing the Work. Neither the Contractor nor any of its personnel is engaged as an employee, servant or agent of Canada. The Contractor is responsible for all deductions and remittances required by law in relation to its employees including those required for Canada or Quebec Pension Plans, employment insurance, workers' compensation, and income tax.
2. The Contractor declares that the Contractor has not been convicted of an offence, other than an offence for which a pardon has been granted, under section 121, 124 or 418 of the Criminal Code.

### GC 1.8 Contingency Fees

1. The Contractor declares that the Contractor has not, directly or indirectly, paid or agreed to pay, and will not, directly or indirectly, pay a contingency fee to any individual for the solicitation, negotiation or obtaining of the contract if the payment of the fee would require the individual to file a return under section 5 of the *Lobbying Act*.

### GC 1.9 Disclosure of Basic Information

1. The Contractor consents, in the case of a contract that has a value in excess of \$10,000, to the public disclosure of basic information, other than information described in any of paragraphs 20(1)(a) to (d) of the Access to Information Act, relating to the contract.

## **GENERAL CONDITIONS FOR MINOR WORKS (Continued)**

### **GC 2 ADMINISTRATION OF THE CONTRACT**

#### **GC 2.1 Departmental Representative's Rights and Obligations**

1. The Departmental Representative shall:
  - (a) have access to the Work at all times;
  - (b) decide questions regarding what has been done or what the Contractor is required to do;
  - (c) decide questions regarding the acceptability of the quality or quantity of any Labour, Plant or Material used or consumed in the execution of the Work; and
  - (d) decide questions regarding the timing and scheduling of the Work.

#### **GC 2.2 Contractor's Superintendent and Workers**

1. The Contractor shall keep a competent superintendent and capable and skilled workers on the site of the Work at all times during the progress of the Work. If, in the opinion of the Departmental Representative, the superintendent or the workers are deemed to be unacceptable because of incompetence, improper conduct or security risk, they shall be removed from the site of the Work and replaced forthwith.

#### **GC 2.3 Records to be Kept by the Contractor**

1. The Contractor shall maintain and keep intact complete records relating to the Work together with all tender calls, quotations, contracts, correspondence, invoices and any payment of fees or other compensation for the solicitation, negotiating or obtaining of the contract until the expiration of two (2) years after the date that a Certificate of Completion is issued or the final invoice is paid if no Certificate of Completion is issued. The Contractor shall, upon request from the Departmental Representative, make said records available for copy, audit or inspection to any person(s) acting on behalf of Canada.
2. The Contractor shall cause all Subcontractors, and all other Persons or entities directly or indirectly involved with the Work, to comply with the requirements of GC 2.3.1.

#### **GC 2.4 Notices**

1. Any notice shall be in writing and may be delivered by hand, by courier, by registered or regular mail, or by facsimile or other electronic means that provides a paper record of the text of the notice. The notice shall be addressed to the party for whom it is intended at the address in the Contract or at the last address from which the sender has received notice in accordance with this section. Any notice shall be deemed to be effective on the day it is received at that address or four (4) days after being sent, whichever is the earlier.

### **GC 3 EXECUTION OF THE WORK**

#### **GC 3.1 Material, Plant, and Real Property Become the Property of Canada**

1. All Material and Plant used or consumed for the purposes of the Work shall be the property of Canada. The Material and Plant shall be used only for the purposes of the Work, and shall not be removed from the site of the Work until so approved by the Departmental Representative.
2. The Contractor shall be liable for all loss or damage to Material or Plant that is the property of Canada by virtue of this section.

## **GENERAL CONDITIONS FOR MINOR WORKS (Continued)**

### **GC 3.2 Cooperation with Other Contractors**

1. The Contractor shall cooperate fully with other contractors or workers sent onto the site of the Work by the Departmental Representative.
2. If, at the time the Contract was executed: the Contractor could not have reasonably foreseen the sending of other contractors or workers onto the site of the Work; and, the Contractor incurs extra costs in complying with GC 3.2.1; and, the Contractor gives written notice of claim for the extra costs within ten (10) days from the date upon which the other contractors or workers were sent onto the site of the Work; then, Canada shall pay an additional amount to the Contractor, calculated pursuant to GC 5.7.

### **GC 3.3 Use of the Work and Cleanup of Site**

1. The Contractor shall maintain the site of the Work in a tidy condition and free from the accumulation of waste material throughout the duration of the Contract.
2. Before the Departmental Representative issues the Certificate of Completion or approves payment of the final invoice, the Contractor shall remove all materials, tools, construction machinery, equipment, waste products and debris from the site of the Work.
3. Where the Work affects occupied portions of a building, the Contractor shall ensure continuity of all building services and shall ensure safe access for all persons requiring access to said building.

### **GC 3.4 Warranty and Rectification of Defects**

1. Without restricting any warranty or guarantee implied or imposed by law or any extended warranty specified in the Contract, the Contractor shall, upon notice from the Departmental Representative and at its own expense, rectify all defects which appear in the Work within twelve (12) months from the date of issuance of the Certificate of Completion pursuant to GC 5.6.1, or from the date of the negotiable instrument issued as final payment if a Certificate of Completion is not issued, whichever is applicable.
2. The notice referred to in GC 3.4.1 shall be in writing and shall include the number of days within which the defect or fault is to be rectified.
3. The Contractor shall transfer and assign, to Canada, any subcontractor, manufacturer or supplier extended warranties or guarantees implied or imposed by law or contained in the contract documents covering periods beyond the twelve (12) months stipulated above. Extended warranties or guarantees referred to herein shall not extend the twelve (12) month period whereby the Contractor must rectify and make good any defect or fault that appears in the work or comes to the attention of Canada.

## **GC 4 PROTECTION, HEALTH AND SAFETY**

### **GC 4.1 Material, Plant and Real Property Supplied by Canada**

1. The Contractor, having care, custody and control of the Work and its site, shall be responsible for any loss or damage, excluding reasonable wear and tear, to any property of Canada arising out of the performance of the Work whether or not such loss arises from causes beyond the Contractor's control.



## GENERAL CONDITIONS FOR MINOR WORKS (Continued)

### GC 4.2 Construction Safety

1. The Contractor shall be responsible for the health and safety of all persons granted access to the site of the Work and for initiating, maintaining and supervising all safety inspections, precautions and programs in connection with the performance of the Work in accordance with the health and safety legislation in force in the Province where the Work is being performed.

### GC 5 TERMS OF PAYMENT

#### GC 5.1 Definitions

For the purposes of this section:

- Payment Period means a period of thirty (30) days or such other longer period as may be agreed between the Contractor and the Departmental Representative.
- An amount is Due and Payable when it is due and payable by Canada to the Contractor in accordance with the terms of the Contract.
- An amount is Overdue when it remains unpaid after the day upon which it is due and payable.
- Date of Payment means the date of the negotiable instrument of an amount due and payable by the Receiver General for Canada.
- Fixed Price Arrangement means that part of the Contract that prescribes a lump sum as payment for performance of the Work to which it relates.
- Unit Price Arrangement means that part of the Contract that prescribes the product of a Price Per Unit multiplied by a number of Units of Measurement of a Class as payment for performance of the Work to which it relates.
- Price Table means the table set out in the BID AND ACCEPTANCE FORM.
- Bank Rate means the rate of interest established from time to time by the Bank of Canada as the minimum rate at which the Bank of Canada makes short term advances to members of the Canadian Payments Association.
- Average Bank Rate means the simple arithmetic mean of the Bank Rates in effect at 4:00 pm Eastern Time each day during the calendar month which immediately precedes the calendar month in which payment is made.
- Duration of the Work means the number of calendar days required to complete the Work, commencing on the first day following receipt by the Contractor of the fully executed Contract and ending the day on which the Departmental Representative verifies that the Work has been satisfactorily completed.

#### GC 5.2 Payment - General Provisions

1. It is a condition precedent to Canada's obligation under GC 5.3.5 that the Contractor has made and delivered to the Departmental Representative, a statutory declaration as described in GC 5.2.2.
2. A statutory declaration in a form acceptable to Canada shall contain a declaration that the Contractor has complied with all lawful obligations with respect to workers and that all lawful obligations towards Subcontractors and Suppliers in respect of the Work under the Contract have been fully discharged.
3. A payment by Canada pursuant to this section shall not be construed as evidence that the Work is satisfactory or in accordance with the Contract.
4. Delay in making payment by Canada under the Contract shall not constitute a breach of Contract.

## GENERAL CONDITIONS FOR MINOR WORKS (Continued)

5. Without limiting any right of setoff or deduction given or implied by law or elsewhere in the Contract, Canada may retain from amounts payable to the Contractor under the Contract, any amount payable to Canada by the Contractor under the Contract or any other current contract.
6. No additional payment shall be made for delays where the cause of the delay was under the control of the Contractor.
7. Except as provided for in these General Conditions, the amount payable to the Contractor under the Contract shall not be increased or decreased by reason of any increase or decrease in cost of the Work brought about by any increase in the cost of Labour, Plant or Material.
8. In the event of a change, including a new imposition or repeal of any tax, customs or other duty, charge, or any similar imposition that is imposed under sales or excise tax legislation of the Government of Canada or any Provincial or Territorial legislation, affects the cost of the Work to the Contractor, and occurs after the date of submission by the Contractor of the Contractor's bid, the contract amount shall be adjusted by an amount equal to the increased or decreased cost to the Contractor, which amount shall be determined through a detailed examination of the Contractor's records.
9. It is a term of every contract providing for the payment of any money by Her Majesty that payment under that contract is subject to there being an appropriation for the particular service for the fiscal year in which any commitment under that contract would come in course of payment. Section 40, *Financial Administration Act*, R.S., 1985, c. F-11, s. 40.

### GC 5.3 Progress Payments

1. Where the duration of the Work is greater than thirty (30) days, the Contractor shall be entitled to receive monthly progress payments upon submitting a progress claim in a form approved by the Departmental Representative. Where the duration of the Work is less than thirty (30) days, the Contractor shall submit a progress claim after the Work is complete.
2. On the expiration of a Payment Period, the Contractor shall deliver to the Departmental Representative:
  - (a) a written progress claim that fully describes any part of the Work that has been satisfactorily completed and any Material that was delivered to the site of the Work but not incorporated into the Work during the Payment Period for which the progress claim relates;
  - (b) a completed and signed statutory declaration as described in GC 5.2.2; and
  - (c) in the case of the initial progress claim and the request for final payment, satisfactory evidence of compliance with workers compensation legislation that is applicable to the place of the Work.
3. Not later than ten (10) days after receipt of a progress claim properly submitted in accordance with GC 5.3.2, the Departmental Representative shall issue a progress report, a copy of which shall be given to the Contractor.
4. A progress report shall indicate the value of the part of the Work and Material described in the progress claim that, in the opinion of Canada:
  - (a) is in accordance with the Contract; and
  - (b) was not included in any other progress report related to the Contract.

## GENERAL CONDITIONS FOR MINOR WORKS (Continued)

5. Not later than thirty (30) days after the receipt by the Departmental Representative of a properly submitted progress claim and supporting documentation, Canada shall make a progress payment to the Contractor in an amount that is equal to one of the following:
  - (a) 90 percent of the value that is indicated in the progress report; or
  - (b) If the Departmental Representative is satisfied that the Work is substantially complete and is acceptable for use by Canada, 100 percent of the value of the Work and Material that is in accordance with the Contract, less amounts previously paid for under the Contract, less the amount equal to the estimated cost of completing the Work and the estimated cost of rectifying defects and faults in the Work as determined by the Departmental Representative; or
  - (c) If the Departmental Representative is satisfied that the Work is complete, 100 percent of the value of the Work that is in accordance with the Contract less amounts previously paid for under the Contract;plus Applicable Taxes and less the aggregate of any amounts payable to or costs and damages claimed by Canada or by a Claimant against the Contractor.
6. The Departmental Representative reserves the right to increase or decrease the quantities submitted by the Contractor if there is a disagreement between the Contractor's invoiced quantities and the quantities shown in the records maintained at the site of the Work.
7. Subject to GC 5.3.8, GC 5.3.9 and GC 5.3.10, the Departmental Representative and the Contractor may, by an agreement in writing, amend a Price Per Unit as set out in the Price Table for any Class of Labour, Plant or Material provided the Certificate of Measurement shows that the Authorized Quantity of the Class of Labour, Plant or Material actually performed, used or supplied by the Contractor in performing the Work is:
  - (a) less than 85 percent of the Estimated Total Quantity; or
  - (b) in excess of 115 percent of the Estimated Total Quantity.
8. In no event shall the total amount of an Item set out in the Price Table that has been amended pursuant to GC 5.3.7 (a) exceed the amount that would have been Payable to the Contractor had the Estimated Total Quantity actually been performed, used, or supplied.
9. An amendment that is made necessary by GC 5.3.7 (b) shall apply only to the quantities that are in excess of 115 percent.
10. Where the Departmental Representative and the Contractor fail to agree on the amount of any adjustment to a Price Per Unit as contemplated by GC 5.3.7, the amended Price Per Unit shall be determined in accordance with GC 5.7.

### **GC 5.4 Interest on Overdue Accounts**

1. Canada shall be liable to pay, to the Contractor, simple interest at the Average Bank Rate plus 3 percent per annum on any amount that is Overdue. The interest shall apply from the date such amount becomes Overdue until the day prior to the Date of Payment inclusively.
2. Interest shall be paid to the Contractor without demand on Overdue payments, except, in respect to amounts which are less than fifteen (15) days Overdue, in which case, no interest shall be paid unless the Contractor so demands.
3. Canada shall not be liable to pay interest where Canada is not responsible for the delay in paying the Contractor.

## GENERAL CONDITIONS FOR MINOR WORKS (Continued)

### GC 5.5 Payment in the Event of Termination

1. If the Contract is terminated pursuant to GC 7.4, Canada shall pay the Contractor:
  - (a) an amount, as agreed upon by the Contractor and the Departmental Representative, for all Labour, Plant and Material performed, used or supplied by the Contractor as at the date of termination plus
    - (i) any fully supported termination costs incurred by the Contractor, less
    - (ii) any amounts payable to or costs and damages claimed by Canada or by a Claimant, against the Contractor; or
  - (b) failing such an agreement, an amount calculated in accordance with GC 5.7.2.

### GC 5.6 Final Completion

1. A Certificate of Completion shall be issued to the Contractor on the date on which the Work has been completed and the Contractor has complied with the Contract and all orders and directions made pursuant thereto, all to the satisfaction of the Departmental Representative.
2. Where the Contract is, in whole or in part, a Unit Price Arrangement, the Departmental Representative shall, at the same time as the issuance of the Certificate of Completion, issue a Certificate of Measurement setting out the Authorized Quantities used or employed in respect of the classes and units set out in the Price Table under the BID AND ACCEPTANCE FORM and any subsequent amendments thereto, such certificate to be binding upon the Contractor and Canada.

### GC 5.7 Determination of Price

1. By mutual agreement:
  - (a) where a Lump Sum Arrangement applies to the Contract or a part thereof, the price of any change shall be the aggregate estimated cost of Labour, Plant and Material that is required for the change as agreed upon in writing by the Contractor and Canada, and include an allowance for overhead, margin and the risk of undertaking the work within the stipulated amount;
  - (b) where a Unit Price Arrangement applies to the Contract or a part thereof, the Contractor and Canada may, by agreement in writing, add Items, Units of Measurement, Estimated Total Quantities and Price Per Units to the Price Table;
  - (c) a Price Per Unit referred to in GC 5.7.1 (b) shall be determined on the basis of the aggregate estimated cost of Labour, Plant and Material that is required for the additional Item as agreed upon by the Contractor and Canada, and include an allowance for overhead, margin and the risk of undertaking the work;
  - (d) to facilitate approval of the price of the additional Item, the Contractor shall submit a cost estimate breakdown identifying, as a minimum, the estimated cost of Labour, Plant, Material, each subcontract amount, and the amount of the appropriate percentage allowance;
  - (e) if no agreement can be reached as contemplated in GC5.7.1 (a), the price shall be determined in accordance with GC 5.7.2; and
  - (f) if no agreement can be reached as contemplated in GC 5.7.1 (b) and GC 5.7.1 (c), the Departmental Representative shall determine the Class and the Unit of Measurement of the Item of Labour, Plant or Material and the Price Per Unit shall be determined in accordance with GC 5.7.2.
2. Following Completion of the Additional Work
  - (a) Where it is not possible to predetermine, or where there is failure to agree upon the price of a change in the Work, the price of the change shall be equal to the aggregate of:

## GENERAL CONDITIONS FOR MINOR WORKS (Continued)

- (i) all reasonable and proper amounts actually expended or legally payable by the Contractor in respect of the Labour, Plant and Material that fall within one of the classes of expenditure described in GC 5.7.2(b), that are directly attributable to the performance of the Contract; plus
  - (ii) an allowance for profit and all other expenditures or costs equal to 10 percent of the sum of the amounts referred to in GC 5.7.2 (a)(i); plus
  - (iii) interest, if any, paid by the Contractor on the amounts determined under GC 5.7.2 (a)(i) and (ii), calculated in accordance with GC 5.4.
- (b) The cost of Labour, Plant and Material referred to in GC 5.7.2 (a) shall be limited to the following categories of expenditure:
- (i) payments to Subcontractors and suppliers;
  - (ii) wages, salaries and traveling expenses of employees of the Contractor located at the site of the Work and that portion of wages, salaries, bonuses, living and traveling expenses of personnel of the Contractor generally employed at the head office or at a general office of the Contractor provided they are actually and properly engaged on the Work under the Contract;
  - (iii) assessments payable under any statutory authority relating to workers' compensation, employment insurance, pension plan or holidays with pay, provincial health or insurance plans, environmental reviews, and GST/HST collection costs;
  - (iv) rent that is paid for Plant, or an amount equivalent to the said rent if the Plant is owned by the Contractor, that is necessary for and used in the performance of the Work, if the rent or the equivalent amount is reasonable and use of that Plant had been approved by the Departmental Representative;
  - (v) payments for maintaining and operating Plant necessary for and used in the performance of the Work, and payments for effecting repairs thereto that, in the opinion of the Departmental Representative, are necessary for the proper performance of the Contract, other than payments for any repairs to the Plant arising out of defects existing before its allocation to the Work;
  - (vi) payments for Material that is necessary for and incorporated in the Work, or that is necessary for and consumed in the performance of the Contract;
  - (vii) payments for preparation, delivery, handling, erection, installation, inspection, protection and removal of the Plant and Material necessary for and used in the performance of the Contract; and
  - (viii) any other payments made by the Contractor with the approval of the Departmental Representative that are necessary for the performance of the Contract in accordance with the Contract Documents.

### GC 5.8 Claims Against and Obligations of the Contractor or Subcontractor

1. The Contractor shall ensure that all its lawful obligations arising out of the performance of the Work are discharged and satisfied at least as often as the Contract requires Canada to pay the Contractor. The Contractor shall provide the Departmental Representative with a Statutory Declaration, as referred to in GC 5.2.2. If any third party claims and outstanding obligations exist under the Contract, a Statutory Declaration shall also be accompanied by letter documentation that clearly identifies the existence and condition of any third party disputed claims and outstanding obligations.
2. In order to discharge lawful obligations of and satisfy lawful claims against the Contractor or a Subcontractor arising out of the performance of the Work, Canada may:
  - (a) pay an amount from money that is due and payable to the Contractor pursuant to the Contract directly to the claimant against the Contractor or the Subcontractor; or
  - (b) withhold from any amount that is due and payable to the Contractor pursuant to the Contract the full amount of the claim or any portion thereof. Monies withheld for this

## GENERAL CONDITIONS FOR MINOR WORKS (Continued)

purpose shall not be subject to any interest payment in the event such claims are rejected.

3. The amount referred to in GC 5.8.2 (a) shall be that amount which the Contractor would have been obliged to pay to such claimant had the provisions of the Provincial or Territorial lien legislation, or in the province of Quebec, the law relating to mortgage, been applicable to the Work. Any such claimant need not comply with the provisions of such legislation setting out the steps by way of notice, registration, or otherwise as might have been necessary to preserve or perfect any claim for lien or mortgage which the claimant might have had.
4. For the purposes of GC 5.8, a claim shall be considered lawful when it is so determined:
  - (a) by a court of competent jurisdiction;
  - (b) by an arbitrator duly appointed to arbitrate the said claim; or
  - (c) by written notice delivered to the Departmental Representative and signed by the Contractor authorizing payment of the said claim(s).
5. A payment made pursuant to GC 5.8.2 is, to the extent of the payment, a discharge of Canada's liability to the Contractor under the Contract and may be deducted from any amount payable to the Contractor under the Contract.
6. GC 5.8.2 shall only apply to claims and obligations where:
  - (a) the notification of which has set forth the amount claimed to be owing and the person who by Contract is primarily liable;
  - (b) the notification or a copy of the notification was received by the Departmental Representative in writing before final payment is made to the Contractor and within one hundred and twenty (120) days of the date on which the claimant:
    - (i) should have been paid in full under the claimant's Contract with the Contractor or Subcontractor where the claim is for money that was lawfully required to be held back from the claimant; or
    - (ii) performed the last of the labour or furnished the last of the Plant or Material pursuant to the claimant's Contract with the Contractor or Subcontractor where the claim is not for money referred to in GC 5.8.6 (b)(i); and
  - (c) the proceedings to determine the right to payment for the claim shall have commenced within one year from the date that the notice referred to in GC 5.8.6 (b) was received by the Department Representative.
7. The Departmental Representative shall inform the Contractor in writing of receipt of any notification of claim and of the intention of Canada to withhold funds pursuant to GC 5.8.2. The Contractor may, at any time thereafter and until payment is made to the claimant, post with Canada, security in the form of a Claimant's Payment Bond acceptable to Canada and in an amount equal to the value of the said claim. Upon receipt of such security Canada shall release to the Contractor any funds which would be otherwise payable to the Contractor, that were withheld pursuant to the provisions of GC 5.8.2.

## **GC 6 CHANGES IN THE WORK**

### **GC 6.1 Changes in the Work**

1. Canada shall have the right to order additional Work, dispense with, or change the whole or any part of the Work described in the Drawings and Specifications or Scope of the Work.
2. The Departmental Representative shall decide whether anything done or not done as a result of directions given under GC 6.1.1 has increased or decreased the cost of the Work to the Contractor and where the cost of the Work has increased or decreased, the amount payable

## **GENERAL CONDITIONS FOR MINOR WORKS (Continued)**

under the Contract shall be increased or decreased by an amount calculated in accordance with GC5.7.

3. Any change in the terms of the Contract, other than changes that may be ordered by Canada or the Departmental Representative pursuant to GC 6.1.1, may be made only by agreement in writing between Canada and the Contractor.

### **GC 6.2 Changes in Subsurface Conditions and Delays by Canada**

1. No extra payment shall be made to the Contractor for any extra expense, loss or damage for any reason unless Canada shall certify that such extra expense, loss or damage is directly attributable to:
  - (a) a substantial difference between the subsurface conditions as indicated in the Drawings and Specifications or Scope of Work and the actual conditions found at the site of the Work; or
  - (b) the neglect or delay by Canada, occurring after the date of award of the Contract:
    - (i) in providing any information or the doing of any act which Canada is required expressly by the Contract to do or as required by a known custom of the trade; or
    - (ii) in suspending the Work pursuant to GC 7.3.
2. The Contractor shall, within ten (10) days immediately after encountering such subsurface conditions or such neglect or delay, give written notice to the Departmental Representative of a claim for such extra expense, loss or damage. Failure to provide such written notice shall render the claim null and void.
3. The amount of any extra payment made under this section shall be calculated in accordance with GC 5.7.
4. If, in the opinion of the Departmental Representative, any difference in subsurface conditions referred to in GC 6.2.1 results in a savings to the Contractor, the amount of said savings shall be deducted from the Contract Amount owing to the Contractor.

### **GC 6.3 Extension of Time**

1. Upon written application by the Contractor made before the date fixed for the completion of the Work, Canada may extend the time for completion of the Work if, in the opinion of Canada causes beyond the control of the Contractor have delayed its completion.
2. If the Contractor does not complete the Work by the day fixed for its completion, but completes it thereafter, the Contractor shall:
  - (a) pay all Canada's inspection costs relating to the Work incurred after the stipulated completion date; and
  - (b) compensate Canada for any loss or damage resulting from the failure by the Contractor to complete the Work by the completion date fixed by the Contract.Unless, in the opinion of Canada, such delay was due to causes beyond the control of the Contractor or it is in the public interest to waive the whole or any part of the payment.

## **GC 7 DEFAULT, SUSPENSION OR TERMINATION OF CONTRACT**

### **GC 7.1 Taking the Work Out of the Contractor's Hands**

1. By giving notice in writing to the Contractor, Canada may take all or any part of the Work out of the Contractor's hands, and may employ such means as Canada sees fit to have the Work completed if the Contractor:

## GENERAL CONDITIONS FOR MINOR WORKS (Continued)

- (a) fails to remedy any delay in the commencement or default in the execution of the Work to the satisfaction of the Departmental Representative within six (6) days of Canada giving written notice to the Contractor to do so;
  - (b) defaults in the completion of any part of the Work within the time fixed by the Contract for its completion;
  - (c) becomes insolvent or commits an act of bankruptcy and has neither made a proposal to its creditors nor filed a notice of intention to make such a proposal pursuant to the *Bankruptcy and Insolvency Act*;
  - (d) abandons the Work;
  - (e) makes an assignment contrary to GC 1.3; and or
  - (f) otherwise fails to observe or perform any of the provisions of the Contract.
2. If the whole or any part of the Work is taken out of the Contractor's hands, the Contractor's right to any further payment that is due or accruing due under the Contract is extinguished.
  3. The Contractor shall be liable to pay Canada, upon demand, an amount that is equal to the sum of all losses and damages incurred or sustained by Canada in respect of the Contractor's failure to complete the Work.
  4. If the whole or any part of the Work that is taken out of the Contractor's hands pursuant to GC 7.1.1 is completed by Canada, the Departmental Representative shall calculate the amount, if any, of the holdback or progress claims that had accrued and was due prior to the date on which the Work was taken out of the Contractor's hands.
  5. If it is determined that there is an amount that is not required for the purposes of having the Work performed or of compensating Canada for any other loss or damage incurred or sustained by reason of the Contractor's default, Canada may then pay the Contractor the amount determined not to be required pursuant to GC 7.1.4.

### GC 7.2 Effect of Taking the Work Out of the Contractor's Hands

1. The taking of the Work or part thereof out of the Contractor's hands pursuant to GC 7.1.1 does not operate so as to relieve or discharge the Contractor from any obligations under the Contract or imposed upon the Contractor by law except the obligation to complete the performance of that part of the Work that was taken out of the Contractor's hands.
2. All Plant and Material and the interest of the Contractor in all real property, licenses, powers and privileges acquired, used, provided or consumed by the Contractor under the Contract shall continue to be the property of Canada without compensation to the Contractor.
3. When the Departmental Representative certifies that any Plant, Material or any interest of the Contractor referred to in GC 7.2, is no longer required for the purpose of the Work, or that it is not in the interests of Canada to retain that Plant, Material or interest, it shall revert to the Contractor.

### GC 7.3 Suspension of the Contract

1. Canada may, upon giving notice in writing to the Contractor, suspend the performance of the Work at any time. The Contractor shall comply with such notice immediately, subject to any conditions that may be stipulated in the notice.
2. If Canada suspends the Work for thirty (30) days or less the Contractor shall, subject to its remedy under GC 5.7, complete the Work when called upon to do so. If Canada suspends the



## **GENERAL CONDITIONS FOR MINOR WORKS (Continued)**

Work for a period in excess of thirty (30) days, the Contractor may request that Canada terminate the Contract pursuant to GC 7.4.

3. It is the responsibility of the Contractor to mitigate all costs during the suspension period.

### **GC 7.4 Termination of the Contract**

1. Canada may terminate the Contract at any time by giving notice of termination in writing to the Contractor and upon receipt of such notice the Contractor shall cease all operations in performance of the Contract, subject to any conditions that may be stipulated in the notice.
2. Termination under GC 7.4.1 shall not relieve the Contractor of any legal or contractual obligations other than that portion of Work that remains to be completed at the time of the termination.
3. Payment, in event of termination under this subsection, shall be made pursuant to the provision of GC 5.5.

## **GC 8 DISPUTE RESOLUTION**

1. The Contractor may, within 10 days after the communication to the Contractor of any decision or direction referred to in GC2.1(b) and GC6.1, protest that decision or direction.
2. A protest referred to in GC8.1 shall be in writing, contain full reasons for the protest, be signed by the Contractor and be given to Canada.
3. If the Contractor gives a protest pursuant to GC8.2, any compliance by the Contractor with the decision or direction that was protested shall not be construed as an admission by the Contractor of the correctness of that decision or direction, or prevent the Contractor from taking whatever action the Contractor considers appropriate in the circumstances.
4. The giving of a protest by the Contractor pursuant to GC8.2 shall not relieve the Contractor from complying with the decision or direction that is the subject of the protest.
5. Subject to GC8.6, the Contractor shall take any action referred to in GC8.3 within 3 months after the date of the Certificate of Completion referred to in GC5.6 and not afterwards, except where it is otherwise provided by law.
6. The Contractor shall take any action referred to in GC8.3 resulting from a direction under GC3.4, within 3 months after the expiry of a warranty or guarantee period and not afterwards, except where it is otherwise provided by law.
7. Subject to GC8.8, if Canada determines that the Contractor's protest is justified, Canada shall pay the Contractor the cost of the additional labour, Plant and Material necessarily incurred by the Contractor in carrying out the protested decision or direction.
8. Costs referred to in GC8.7 shall be calculated in accordance with GC5.7.

## **GC 9 INDEMNIFICATION AND INSURANCE**

### **GC 9.1 Indemnification**

1. The Contractor shall indemnify and save harmless Canada, its servants, agents and all those for whom Canada may be, in law, responsible, from and against all claims, demands, losses, damages, costs and legal proceedings by whomever made, sustained, brought or prosecuted,

## GENERAL CONDITIONS FOR MINOR WORKS (Continued)

and in any manner based upon, occasioned by or attributed to the activities of the Contractor, the Contractor's employees, agents or persons for whom the Contractor is, in law, responsible for the performance or purported performance of the Contract, including an infringement or alleged infringement of a patent of invention or any other kind of intellectual property.

2. For the purpose of GC 9.1.1, activities include any act improperly carried out and any omission or delay in carrying out an act.
3. The Contractor's liability to indemnify or reimburse Canada under the Contract shall not affect or prejudice Canada from exercising any rights available to Canada at law or in equity.

### GC 9.2 Insurance Contracts

1. The Contractor shall, at the Contractor's expense, obtain and maintain insurance contracts in respect of the work and shall provide evidence thereof to Canada in accordance with the requirements of the INSURANCE TERMS.
2. The insurance contracts referred to in GC 9.2.1 shall:
  - (a) be in a form, of the nature, in the amounts, for the periods and containing the terms and conditions specified in INSURANCE TERMS; and
  - (b) provide for the payment of claims under such insurance contracts in accordance with GC 9.3.

### GC 9.3 Insurance Proceeds

1. In the case of a claim payable under a Builders Risk/Installation (All Risks) insurance contract maintained by the Contractor pursuant to GC 9.2, the proceeds of the claim shall be paid directly to Canada, and
  - (a) the monies so paid shall be held by Canada for the purposes of the Contract, or
  - (b) if Canada elects, shall be retained by Canada, in which event they vest in Canada absolutely.
2. In the case of a claim payable under a General Liability insurance contract maintained by the Contractor pursuant to GC 9.2, the proceeds of the claim shall be paid by the insurer directly to the claimant.
3. If an election is made pursuant to GC 9.3.1, Canada may cause an audit to be made of the accounts of the Contractor and of Canada in respect of the part of the work that was lost, damaged or destroyed for the purpose of establishing the difference, if any, between
  - (a) the aggregate of the amount of the loss or damage suffered or sustained by Canada, including any costs incurred in respect of the clearing and cleaning of the Work and its site and any other amount that is payable by the Contractor to Canada under the Contract, minus any monies retained pursuant to GC 9.3.1 (b); and
  - (b) the aggregate of the amounts payable by Canada to the Contractor pursuant to the Contract up to the date of the loss or damage.
4. A difference that is established pursuant to GC 9.3.3 shall be paid forthwith by the party who is determined by the audit to be the debtor to the party who is determined by the audit to be the creditor.
5. When payment of a deficiency has been made pursuant to GC 9.3.4, all rights and obligations of Canada and the Contractor under the Contract shall, with respect only to the part of the work that was the subject of the audit referred to in GC 9.3.3, be deemed to have been expended and discharged.

## GENERAL CONDITIONS FOR MINOR WORKS (Continued)

6. If an election is not made pursuant to GC 9.3.1 (b), the Contractor shall, subject to GC 9.3.7, clear and clean the work and its site and restore and replace the part of the work that was lost, damaged or destroyed at the Contractor's expense as if that part of the work had not yet been performed.
7. When the Contractor clears and cleans the Work and its site and restores and replaces the work referred to in GC 9.3.6, Canada shall pay the Contractor out of the monies referred to in GC 9.3.1 so far as they will thereon to extend.
8. Subject to GC 9.3.7, payment by Canada pursuant to GC 9.3.7 shall be made in accordance with the Contract but the amount of each payment shall be 100 percent of the amount claimed notwithstanding GC 5.3 a) and b).