



TABLED DOCUMENT NO. 41-12 (7) TABLED ON MAR 02 1995  
**Report on the  
THEBACHA CAMPUS  
APPLIED ARTS AND LIBRARY BUILDING  
PROJECT**

Prepared by Public Works & Services  
February 24, 1995

**Background on the Project**

Many of the programs and resources of the Thebacha Campus are scattered around Fort Smith in basements, trailers, and unconnected locations. The Applied Arts and Library Building project brings these facilities together into one new building connected to the existing Arctic College complex. The construction cost of the new building was estimated at \$7.5 million, including the cost of required renovations to the existing structure. Construction began in the spring of 1994, with completion scheduled for October 1995.

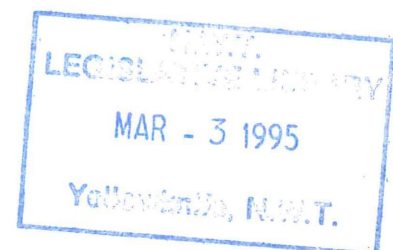
**Background on the Project Approach**

In September 1993, the Minister of Public Works & Services attended a public meeting in Fort Smith. Local contractors and developers were looking for a guarantee of maximum local benefit from this large construction project. A negotiated contract was mentioned as a possibility, however, there is no firm in Fort Smith large enough to handle a project of this size. The Minister said he was prepared to maximize benefits for the community, but only if the business interests would work together. One of the major questions at the first meeting was the requirement for bonding.

The Fort Smith contractors and developers held a follow-up meeting on their own and set up a committee of five to establish a cooperative basis for the project.

On December 1, 1993, three organizations (Fort Smith Chamber of Commerce, Fitz/Smith Native Development Corporation, and the Fort Smith Metis Nation Corporation) submitted a proposal for a negotiated contract with the GNWT to construct the new facility. The GNWT felt that a negotiated contract was not appropriate, but suggested an alternative of local input through a Steering Committee. Further discussions were held, which resulted in a Memorandum of Understanding (Attachment A). This MOU included the following agreements:

- A Construction Manager would be hired (by public Request for Proposals). They would work with the design consultants, prepare tender documents, and manage the construction of the project.
- A Steering Committee would be established with one member from each of these: Fitz/Smith Native Development Corporation Ltd., Fort Smith Metis Nation Corporation, Fort Smith Chamber of Commerce, general public of Fort Smith, and Public Works & Services.



- The role of the committee would be to ensure that the interests of the community are accommodated to the greatest extent possible throughout the project.
- Twelve committee duties were listed. They include recommending award of the sub-contracts, as well as monitoring local involvement.
- Committee decisions would be made by consensus. Where consensus could not be reached, the issue would be referred to the Deputy Minister of PW&S for decision.

The objectives of this project management approach are to maximize community employment, training, and business opportunities. There is also a government focus on delivering the project as close as possible to the budget.

Clark Bowler (now known as Clark Builders) was selected as the Construction Manager through a public Request for Proposals. (A copy of their contract is in Attachment B.) They recommended design changes that would lower the construction cost of the building so it would fit our limited budget. One of the first jobs of the Construction Manager and Steering Committee was to identify tender packages of an appropriate size so that small business in Fort Smith would have a better chance to take part in the project. This process of reducing contract scope has continued.

### **Bonding (Security)**

There are two types of security connected to large capital projects. Bid security protects the public funds from successful low bidders who withdraw their bids. Contract security ensures that the contractor carries out the work of the contract as specified and ensures that the contractor pays money owed for labour and supplies. Security is generally required for any job with an expected value over \$100,000. Security may be provided as a bond (preferred by PW&S) or by cash, certified cheque, or bank letter of guarantee. The requirement for security is a common and responsible business practice.

From the first public meeting in Fort Smith, the security requirement was identified as a problem. Some small businesses are unable to get bonding. In response to these concerns and in support of the concept of promoting local involvement, the Minister approved the waiver of contract security conditions for local contractors unable to meet contract security requirements (Attachment C).

Since the scope of contracts was smaller than usual, there were some cases where bonding was not required because the value of the contract was expected to be less than \$100,000. The painting contract is an example of this type of overall exemption.

### **Local Involvement Report**

The PW&S Project Officer produces regular Local Involvement Reports, which list contracts awarded, their value and local content. A recent report is provided in Attachment D. It shows that 64% of the value of contracts has gone to local business in Fort Smith. In addition, Clark Builders has spent \$177,912 on supplies and services in the community, as well as \$55,573 on local wages (to February 15).

### **Method of Selecting Contractors**

The scope of each tender is established through consultation between the Construction Manager and the Steering Committee. The Construction Manager assembles and sends out the tender documents prepared by the design consultants. Bids are opened at PW&S in Fort Smith. Then the bids are reviewed by the Steering Committee, who make a recommendation on the award. The criteria for contract awards are price, local involvement, and demonstrated ability.

When the Steering Committee cannot reach a recommendation on an award by consensus, their concerns are forwarded to the Deputy Minister, who makes the final decision. There is an on-going need to balance local involvement with a limited budget. Both the committee and the Deputy Minister try to meet both objectives.

On February 24, the Minister approved the award, as recommended by the Steering Committee, of two interior finishes contracts to Freund Building Supplies for a total value of \$229,173. The tender report is provided as Attachment E.

### **Electrical Tender**

The tender report on the electrical contract was tabled by the MLA for Thebacha. A summary of the report is provided as Attachment F. It is important to note that the BIP adjusted price is a clerical invention for the purpose of comparing bidders. In this case the "adjusted bid" shows a difference of \$6,560, yet the actual difference in bid prices was \$32,158. If the award had gone to Amity Electric, the cost would have been \$32,158 more.

In awarding the contract to Adco North, the Construction Manger was instructed to encourage Adco North to increase the local content of their contract. We have recently been advised that Adco North has purchased approximately \$180,000 of materials from S & R Enterprises of Fort Smith, a company owned by Amity Electric. This will increase substantially the local content from this contract.

### **Interior Finishes Tender**

The tender report on the interior finishes contract was also tabled by the MLA from Thebacha. A summary of the report is provided as Attachment G. An important feature of this tender was the amount of local content. The successful bid had 65% local content (all materials and most of the labour). The bidder who has complained about not winning the contract had 16% local content (\$39,000 local labour and \$20,000 for accommodations). Selecting Arc Interiors means the cost of this contract was \$5,868 less than the bid from Rainbow Holdings.

There has been some negative comment about the two tenders for interior finishes. The call for separate tenders for interior metal studs, drywall, and acoustic ceiling, was the result of trying to divide the project into the smallest manageable contract packages. Upon review of the sequence of construction, it became apparent that having three separate contractors would be a coordination nightmare. In order to allow for smooth operations, bidders were asked to submit a combined price.

### **Budget**

A budget breakdown is provided in Attachment H.

**ATTACHMENT A**

**MEMORANDUM OF UNDERSTANDING**

## MEMORANDUM OF UNDERSTANDING

between

the Government of the Northwest Territories, as represented by the Deputy Minister of Public Works and Services

and

the Fitz / Smith Native Development Corporation Ltd., 923186 N.W.T. Ltd. (o/a Fort Smith Metis Nation Corporation) and the Fort Smith Chamber of Commerce (herein the "Fort Smith Consortia").

Whereas,

the G.N.W.T. intends to construct a new Applied Arts and Library Building on the Thebacha Campus in Fort Smith and to renovate areas within the existing Trades Complex (herein the "Project") to meet the requirements of Arctic College, as defined in the revised Facility Program, of September 1993 and has engaged consultants who have recently presented a schematic design and report for review by the G.N.W.T. and the Building Committee

and

the Fort Smith Consortia has requested involvement in the design and management process to ensure that the Project will achieve maximum employment, training and business opportunities within the community of Fort Smith.

Therefore,

the G.N.W.T. and the Fort Smith Consortia accept that:

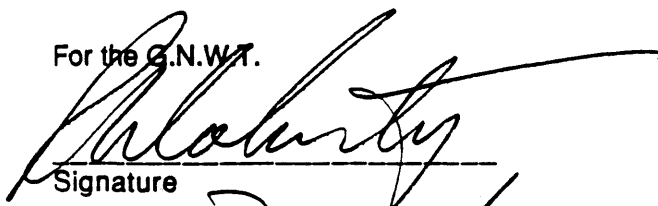
1. A Request for Proposals shall be called immediately by the G.N.W.T. in cooperation with the Fort Smith Consortia to engage a Construction Manager (herein the "Manager") to work with the design consultants, to prepare tenders and to manage the construction of the Project in a manner consistent with the objectives of the G.N.W.T. and the Fort Smith Consortia, as set out herein.
2. A Steering Committee (herein the "Committee") shall be established with one member from each of the following:
  - Fitz / Smith Native Development Corporation Ltd.
  - Fort Smith Metis Nation Corporation
  - Fort Smith Chamber of Commerce
  - general public of Fort Smith (selected by the Committee)
  - Public Works and Services (herein the "Project Officer")
3. One member of the Steering Committee (excluding the Project Officer) will be selected as spokesperson (herein the "Chair").

4. The mandate of the Committee will be to ensure that the interests of the community are accommodated to the greatest extent possible throughout the Project. The Committee's primary functions will include:
  - a. Recommend terms of Proposal Call for Manager.
  - b. Recommend selection of Manager.
  - c. Recommend guidelines for Manager to follow during the course of the Project.
  - d. Assist and provide direction for Manager during the design stage to ensure maximum benefit is local.
  - e. Assist Manager in identifying local individuals and construction related companies interested in working on the Project.
  - f. Recommend training strategy and programs suited for the Project.
  - g. Recommend conditions and scope of work for tenders on the Project to the Manager.
  - h. Recommend award of sub-contracts.
  - i. Provide regular information on the status of the Project to the community of Fort Smith.
  - j. Identify community concerns regarding the Project.
  - k. Review and monitor Local & Northern Involvement Reports which are a condition of payment for each contract.
  - l. Review Project Officer's status reports on all actions taken on behalf of the Committee.
5. Recommendations made by the Committee will be by consensus and presented to the Department of Public Works and Services. Every member will have power of veto. Failing agreement on specific actions, the issue in dispute will be referred to the Deputy Minister of Public Works and Services for direction. The decision of the Deputy Minister will be binding. Written substantiation will be provided to the Committee on decisions made by the Deputy Minister.
6. Regular committee meetings will be held in Fort Smith, as required, and scheduled between the Chair and the Project Officer. Recommendations, on an exception basis, may also be developed between the Chair and the Project Officer, in consultation with the other members, without convening a meeting.
7. The Project shall be constructed within a budget fixed by the G.N.W.T. and will commence in the summer of 1994 with completion scheduled for the fall of 1995.
8. All contracts with the consultants, Manager and sub-contractors shall be directly with the G.N.W.T.

9. All directions to the consultants, Manager and sub-contractors shall be through the Project Officer.
10. The G.N.W.T. will provide payment to Committee members as follows:
  - a. direct expenses plus 10% markup (telecommunication, printing, meals, secretarial) and
  - b. such other expenses as approved in advance by the G.N.W.T.

The terms of this Memorandum of Understanding are hereby accepted by the G.N.W.T. and the Fort Smith Consortia.

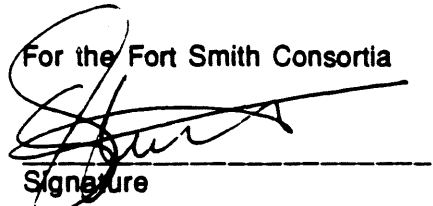
For the G.N.W.T.

  
 Signature

Deputy Minister  
 Name / Title

25. 3. 94.  
 Date

For the Fort Smith Consortia

  
 Signature

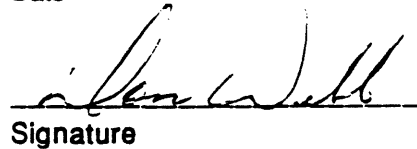
Geoff Stock  
 Name / Title

April 13/94  
 Date

  
 Signature

J. MILLER  
 Name / Title

APRIL 13/94  
 Date

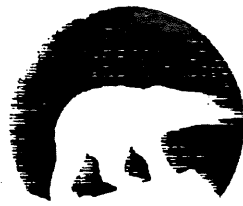
  
 Signature

Don Webb CHAIRMAN OF Commerce  
 Name / Title

April 13/94  
 Date

**ATTACHMENT B**  
**CONSTRUCTION MANAGEMENT AGREEMENT**





Northwest  
Territories Canada

**Government of the Northwest Territories**

**CONSTRUCTION MANAGEMENT  
CONTRACT:**

**CLARK BOWLER BUILDERS AND  
CONSTRUCTION MANAGERS**

**CONTRACT NUMBER:**

93-1111

**PROJECT:**

**APPLIED ARTS AND LIBRARY BUILDING  
THEBACHA CAMPUS, ARCTIC COLLEGE  
FORT SMITH, NT.**

**PROJECT NUMBER:**

552

**CONSTRUCTION MANAGEMENT CONTRACT**

between

**THE GOVERNMENT OF THE NORTHWEST TERRITORIES**

and

**CLARK BOWLER BUILDERS AND CONSTRUCTION MANAGERS**

**PROJECT # 552**

**APPLIED ARTS AND LIBRARY BUILDING  
THEBACHA CAMPUS, ARCTIC COLLEGE**

**FORT SMITH, NT.**

**November, 1994**

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**CONSTRUCTION MANAGEMENT CONTRACT**

**AGREEMENT BETWEEN OWNER AND CONSTRUCTION MANAGER**

This agreement effective the Fifth (05) day of April, in the year nineteen hundred and Ninety-Four (1994).

by and between

The Government of the Northwest Territories, Public Works & Services  
Box 1320  
YELLOWKNIFE, NWT X1A 1X9

herein the "Owner"

and

Clark Bowler Builders & Construction Managers  
Box 667  
YELLOWKNIFE, NWT X1A 2N5

herein the "Construction Manager"

witnesses: that the parties agree as follows:

**ARTICLE A-1 SERVICES AND RESPONSIBILITIES**

- (a) The Construction Manager agrees to provide the services set forth in GC2-CONSTRUCTION MANAGER'S SERVICES
- (b) The Owner shall be responsible for the development of the design of the Project and has retained Pin Matthews Architects (herein the "Consultant"). The Consultant's services, duties and responsibilities shall be as described in the Agreement between the Owner and the Consultant.

**ARTICLE A-2 THE CONSTRUCTION MANAGEMENT TEAM**

- (a) For the purpose of this contract the "Owner" shall be represented by the Minister of Public Works and Services (herein the Minister) and shall include a person acting for, or if the office is vacant, in place of the Minister and his successors in the office, and his or their lawful deputy and any of his or their representatives designated for the purpose of this contract.
- (b) The Minister hereby designates: Edson Andrews of the Department of Public Works and Services of the Government of the Northwest Territories as his agent for the purposes of this contract.
- (c) The Construction Manager, the Owner and the Consultant, shall form the "Construction Management Team" and the Construction Management Team shall strive to do and fulfill everything required by this Agreement and shall strive to achieve Substantial Performance of the work by the day of 28 August 1995
- (d) The Construction Manager shall provide leadership to the Construction Management Team on all matters relating to construction.

### **ARTICLE A-3 THE CONSTRUCTION MANAGER AS AGENT**

- (a) The Construction Manager represents that he is knowledgeable and experienced in the management of the type of construction required for the Project. The Construction Manager acknowledges that he is being retained by the Owner because of his knowledge and expertise in that regard.
- (b) The Owner appoints the Construction Manager his agent to act in his name in accordance with the terms of this Agreement and for the purpose of the management of the construction of the Project described in ARTICLE A-4 SCOPE OF THE PROJECT.

### **ARTICLE A-4 SCOPE OF THE PROJECT**

This Contract provides for services in connection with the following Project:

A new two story 3,750 m2 Applied Arts & Library Building connected to the existing Trades Complex of Thebacha Campus, Arctic College, in Fort Smith. The construction project also includes renovations to the existing mechanical system, administration area and specific instructional and storage rooms within the Trades Complex.

### **ARTICLE A-5 CONTRACT FEE**

- (a) The Owner in accordance with and as may be amended by the Supplementary General Conditions and the General Conditions, agrees to pay the Construction Manager for his services, as follows:
  - (1) For services performed during the Pre-Construction Phase, a fee of Five Thousand dollars (5,000.00) per month for two months.
  - (2) For services performed during the Construction and Post-Construction Phase, a fee of 3.5% of the construction cost.
- (b) The Owner and Construction Manager agree that if either the scope of the Project or the services required of the Construction Manager are substantially increased or decreased at the direction of the Owner, the Construction Managers fee described in (a)(1) and (a)(2) shall be adjusted by mutual agreement between the Owner and the Construction Manager, and if changed shall be adjusted in accordance with the Contract Documents.

Payment of the Contract Fee shall be made in accordance with the provisions of ARTICLE A-8 PAYMENT and GC 10-APPLICATIONS FOR PAYMENT.

### **ARTICLE A-6 REIMBURSABLE EXPENSES**

In addition to the Contract Fee stipulated in ARTICLE A-5 CONTRACT FEE of this Agreement, the Owner agrees to pay the Construction Manager for the cost of Reimbursable Expenses he incurs as defined by APPENDIX "A" to this Agreement plus a fee of 5% in accordance with ARTICLE A-8 PAYMENT and GC 10-APPLICATIONS FOR PAYMENT.

### **ARTICLE A-7 OWN FORCES WORK**

The Construction Manager may, subject to the Owner's prior approval, perform work with his Own Forces. Such work shall be performed in accordance with the terms of this Agreement. The Owner shall pay to the Construction Manager the cost of such work plus a fee of 5% of that cost payable pursuant to this Agreement. Cost of own forces work shall include and be limited to those items set forth in APPENDIX A CLAUSE 2.0 REIMBURSABLE EXPENSES.

The Owner shall make payment to the Construction Manager for such work in accordance with ARTICLE A-8 PAYMENT

#### ARTICLE A-8 PAYMENT

(a) The Owner agrees to make payments to the Construction Manager in Canadian funds on account of Reimbursable Expenses incurred to date, the applicable portion of the Contract Fee earned as described in ARTICLE A-5 CONTRACT FEE of this Agreement any work performed directly by the Construction Manager pursuant to ARTICLE A-7 OWN FORCES WORK, for Additional Services in accordance with GC 2.5 and for work completed by Trade Contractors pursuant to GC3, all in accordance with GC10 Application for Payment. Payments shall be made monthly or at such other interval as is agreed between the Owner and Construction Manager.

(b) Notwithstanding A-8(a), any delay by the Owner in making any payment when it is due pursuant to A-8(a) shall not be a breach of contract by the Owner.

When the Owner delays in making a payment that is due pursuant to Article A-8(a), the Construction Manager shall be entitled to receive interest on the amount that is overdue in accordance with the GNWT's Financial Administration Manual Section 803-4.

(c) The Construction Manager shall not be entitled to receive interest on any other amount that is unpaid including, without limitation, an amount that is calculated in accordance with GC 2.3.4 CHANGES IN THE WORK and GC 9, CHANGES IN THE PROJECT.

(d) Neither a progress report referred to in GC 10 nor any payment made by the Owner pursuant to these terms of payment shall be construed as an admission by the Owner that the work, material or any part thereof is complete, is satisfactory or is in accordance with the contract.

#### ARTICLES A-9 RIGHTS AND REMEDIES

(a) The duties and obligations imposed by the Contracts Documents and the rights and remedies available thereunder shall be in addition to and not a substitution for any duties, obligations, rights and remedies otherwise available by law.

(b) No action or failure to act by the Owner or Construction Manager shall constitute a waiver of any right or duty afforded either of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

#### ARTICLE A-10 RECEIPT OF AND ADDRESSES FOR NOTICES

Every such notice and communication, if delivered by hand, shall be deemed to have been received on the date of delivery or if sent by prepaid registered mail shall be deemed to have been received on the seventh day after posting, or if by facsimile, 48 hours after the time of transmission, excluding from the calculation weekends and statutory holidays.

The Owner at

**Government of the Northwest Territories, Yellowknife Regional Office  
5013 - 44 Street, YELLOWKNIFE, NWT X1A 2L9  
Yellowknife Regional Office Facsimile Number: (403) 873-0257**

The Construction Manager at

**Clark Bowler Builders & Construction Managers  
#270, 5022 - 49 Street, Box 667, YELLOWKNIFE, NT X1A 2N5  
Clark Bowler Facsimile Number: (403) 873-8496**

ARTICLE A-11 LAW OF THE CONTRACT

This Contract shall be deemed to have been made in the Northwest Territories and shall be governed by the laws of the Northwest Territories as far as applicable.

ARTICLE A-12 LANGUAGE OF THE CONTRACT

Deleted.

ARTICLE A-13 PRIOR NEGOTIATIONS, REPRESENTATIONS OR AGREEMENTS

This Agreement supersedes all prior negotiations, representations or agreements, either written or oral.

ARTICLE A-14 SUCCESSION

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, legal representatives, successors and assigns.

ARTICLE A-15 DISCOUNTS, REBATES AND REFUNDS

All cash discounts shall accrue to the Construction Manager unless the Owner deposits funds with the Construction Manager with which to make payments, or makes such payments directly, in which case the cash discounts shall accrue to the Owner. All trade discounts, rebates and refunds, and all returns from sale of surplus materials and equipment applicable to the Project shall accrue to the Owner, and the Construction Manager shall make provisions so that they can be secured.

In witness whereof the parties hereto have executed this Agreement under their respective corporate seals and by the hands of their proper and duly authorized officers.

SIGNED, SEALED AND DELIVERED in the presence of:

OWNER

Department of Public Works & Services  
Box 1320  
Yellowknife, NT X1A 2L9

signature

name and title

*Anne Burt*  
witness  
*Executive Secretary*  
name and title

CONSTRUCTION MANAGER

Clark Bowler Builders & Construction Managers  
Box 667  
Yellowknife, NT X1A 2N5

signature

name and title

signature

name and title

*Scott Hunt* JAH 16/95  
MANAGER  
*J.D. Ondrack*  
Administration Manager

witness

name and title

SEAL

## APPENDIX 'A'

### 1.0 CONSTRUCTION MANAGER FEE

1.1 The Owner agrees to pay the fee as described in Article 4(a), such fee to include;

- (a) The Construction Manager's Fixed Costs of operation, including general operating and incidental expenses of the Construction Manager's head office,
- (b) The Construction Manager's profit.

### 2.0 REIMBURSABLE EXPENSES

The following items are Reimbursable Expenses referred to in ARTICLE A-6 REIMBURSABLE EXPENSES and the cost of the work for the purposes of ARTICLE A- 7 OWN FORCES WORK of the Agreement and shall be at rates prevailing in the locality of the Place of the Project except with the prior consent of the Owner.

- (a) wages and the benefits paid for labor directly employed by the Construction Manager in the performance of the Project under a salary or wage schedule agreed upon by the Owner and Construction Manager,
- (b) salaries, wages, and benefits of the Construction Manager's on site personnel, salaries, wages and benefits of personnel engaged at shops, or on the road, en expediting the production or transportation of materials or equipment, for that portion of their time spent on the Project; salaries, wages and benefits of head office or other personnel hired specifically for the Project, for that portion of their time spent on the Project; and including:
  - all personnel assigned to the Project away from the Head Office or Branch Office,
  - a Community Project Co-ordinator at the base rate of \$19.00 per hour, plus burdens,
  - a Site Superintendent at the base rate of \$27.00 per hour, plus burdens,
  - and Head Office staff assigned to the Project away from the Head Office or Branch Office
- (c) the portion of travel and subsistence expenses of the Construction Manager or his officers or employees incurred while traveling in discharge of duties connected with the Project;
- (d) the cost of all materials products, supplies and equipment incorporated in to the Project, including the handling, crating, storage shipping and related costs thereof,
- (e) the cost of materials, products, supplies, equipment, temporary services, utilities and facilities, and hand tools not owned by the workers including transportation and maintenance thereof, which are consumed in the performance of the Contract, and cost less salvage value on such items used, but not consumed, which remain the property of the Construction Manager,
- (f) rental cost of all tools, machinery, and equipment used in the performance of the Contract, whether rented from the Construction Manager or others, including installation, minor repairs and replacements, dismantling, removal, transportation and delivery cost thereof,
- (g) the cost of all permits, fees and licenses required for the construction of the Project, with the exception of the Construction Managers own business licenses, but including any local business licenses;
- (h) the premium costs of all bonds and insurance's required by the Contract documents and which the Construction Manager is required to purchase and maintain,
- (i) the cost of quality assurance such as independent inspection services and testing services except those required by law and included with Trade Contractors work,



- (j) costs incurred by the Construction Manager, with the Owner's permission, in expediting the rejected work or the warranty work of Trade Contractors and costs incurred by the Construction Manager in correcting defects or deficiencies in the work undertaken by its own forces and repairing damages resulting therefrom either during the course of construction or the warranty period except those arising from a negligent or willful act of the Construction Manager;
- (k) the amount of all Trade Contracts, and the amount of all subcontracts within work completed with Own Forces, as outlined in Article A.7, Own Forces Work;
- (l) taxes and duties related to the Project for which the Construction Manager is liable other than tax on income payable by the Construction Manager.
- (m) the costs of head office long distance telephone and facsimile charges; site telephones and faxes including long distance toll charges; courier services, expressage, and petty cash items related to the project;
- (n) such other reasonable costs directly incurred by the Construction Manager in the construction of the Project as may be agreed to by the Owner and Construction Manager in advance of the costs being incurred,
- (o) deposits lost,
- (p) the cost to the Construction Manager that results from any Trade Contractor's insolvency or failure to perform.
- (q) royalties, patent license fees, and damages for infringement of patents and cost of defending suits therefore subject always to the Construction Manager's obligation to indemnify the Owner pursuant to paragraph 13.1 of GC 13-PATENT FEES:
- (r) losses and expenses sustained by the Construction Manager for matters which are the subject of the insurance coverage's obtained pursuant to GC 17-INSURANCE when such losses and expenses are not recoverable because the amounts are in excess of collectible amounts, within the deductible amounts or are not insurable;
- (s) the cost of removal and disposal of waste products and debris;
- (t) cost incurred due to emergencies affecting the safety of persons or property;
- (u) the cost of financing the Project in accordance with the method determined by the parties and the cost of financing payroll and payment advances to subcontractors;
- (v) the cost of computer time and usage in accordance with the method determined by the parties;
- (w) legal costs, incurred by the Construction Manager, arising out of and necessary for the performance of the Project.

It is the intention of the parties that the items referred to herein shall cover and include any and all costs and contingencies incurred by the Construction Manager in connection with the Project.

## DEFINITIONS

The following Definitions shall apply to this contract:

1. **The Contract**

The Contract Documents form the Contract. The Contract is the undertaking by the parties to perform their respective duties, responsibilities and obligations as prescribed in the Contract Documents and represents the entire agreement between the parties.

2. **Contract Documents**

The Contract Documents consist of the executed Agreement between the Owner and the Construction Manager, the General Conditions of the Contract, Supplementary Conditions, Definitions, specifications, drawings and such other documents as are listed in ARTICLE A-4 - SCOPE OF THE PROJECT including amendments thereto incorporated before the execution of the Contract and subsequent amendments thereto made pursuant to the provisions of the Contract and agreed upon between the parties.

3. **Owner**

The Owner is the person, firm or corporation identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number and masculine in gender. The term Owner means the Owner or his authorized agent or representative as designated to the Construction Manager in writing.

4. **Consultant**

The Consultant is the person, firm or corporation identified as such in the Agreement, and is an architect or engineer licensed to practice in the province or territory of the Place of the Project, and is referred to throughout the Contract Documents as if singular in number and masculine in gender.

5. **Construction Manager**

The Construction Manager is the person, firm or corporation identified in the Agreement and is referred to throughout the Contract Documents as if singular in number and masculine in gender. The term Construction Manager means the Construction Manager or his authorized representative as designated to the Owner in writing.

6. **Trade Contractor**

A Trade Contractor is a person, firm or corporation having a direct contract with the Construction Manager to perform the Work. The term Trade Contractor is referred to throughout the Contract Documents as if singular in number and masculine in gender.

7. **The Project**

The Project means the total construction and related services to be managed under this Contract of which the Work is a part.

8. **The Work**

The Work means that portion of the Project performed by a Trade Contractor or by the Construction Manager directly using own forces.

**9. Place of the Project**

The Place of the Project is the designated site or location of the Project.

**10. Time**

The Contract Time is the time stipulated in paragraph (a) of ARTICLE A-2.

Day means calendar day.

Working day means days other than Saturdays, Sundays and holidays which are observed by the construction industry in the area of the Place of the Project.

**11. Substantial Performance of the Project**

Substantial Performance of the Project is the date when the total construction contemplated by the Project is sufficiently complete in accordance with the Contract Documents and is so certified by the Owner and Consultant.

**12. Total Performance of the Project**

Total Performance of the Project is the date when the total construction and related services contemplated by the Project have been performed to the requirements of the Contract Documents and is so certified by the Owner and Consultant.

**13. Changes in the Project**

Changes in the Project means additions, deletions, or other revisions to the Project within the general scope of the Contract.

**14. Construction Cost**

For the purposes of calculating the fee, as outlined in Article A.5, Contract Fee, the Construction Cost shall include the total value of all trade contracts associated with the construction project, all work completed with Own Forces, as outlined in Article A.7, Own Forces Work, and all Reimbursable Expenses identified in Appendix "A".

**15. Steering Committee**

The Steering Committee is a committee formed to ensure that maximum local involvement is achieved on this project. The Steering Committee makes recommendations on the conditions and scope of work for tenders and the award of sub-contracts. The Fort Smith Chamber of Commerce, the Metis Nation Corporation, the Fitz/Smith Native Development Corporation, the general public and Public Works and Services are represented on this Committee.

**THE GENERAL CONDITIONS OF THE CONSTRUCTION MANAGEMENT CONTRACT**  
(Herein the General Conditions)

**GC1 DOCUMENTS**

- 1.1 The Contract Documents shall be signed in triplicate by the Owner and the Construction Manager.
- 1.2 The Contract Documents are complementary, and what is required by any one shall be as binding as if required by all.

**GC 2 CONSTRUCTION MANAGER'S SERVICES**

- 2.1 The Construction Manager will perform the following services in each of the three phases described below but in doing so, he assumes no responsibility nor offers any expertise with respect to the design of the Project including any and all architectural or engineering aspects which shall be the responsibility of the Consultant and Owner.

**2.2 PRE-CONSTRUCTION PHASE**

**2.2.1 Consultant During Project Development:**

Attend regular meetings with the Construction management Team during the development of conceptual and preliminary design and preparation of working drawings to advise on site use and improvements, selection of materials, building systems and equipment. Provide recommendations on construction feasibility, availability of materials and labor, time requirements for installation and construction, and factors related to cost including costs of alternative designs or materials, preliminary budgets, and possible economies.

2.2.1.1 Acquaint the Owner and other members of the Construction Management Team with the labor conditions applicable for the duration of the Project.

2.2.1.2 Assist in providing liaison and co-ordination among government authorities, utility companies, and other authorities having jurisdiction over the Place of the Project.

**2.2.2 Planning and Scheduling:**

Prepare, for the Owner's review, a preliminary master time schedule, following consultation with the Construction Management Team, incorporating the sequence and timing of the required basic program decisions, including design time, documentation, bid calls, bid evaluations, trade contract awards and on-site construction activities.

2.2.2.1 Monitor and, if required, revise and update the preliminary schedule as the design proceeds.

2.2.2.2 Finalize the master time schedule for the Owner's approval, and, if necessary, estimate the manpower requirements. Break down this schedule into individual networks for each phase of the Project where necessary showing the sequence and timing for the main construction operations and the milestone completion dates for the various phases.

2.2.2.3 Recommended any equipment or materials which should be pre-ordered to meet the master time schedule.

2.2.2.4 Consult with the Steering Committee to identify local contractors, suppliers and develop a schedule on how construction, supply and service contracts can be divided to ensure that opportunities for maximum local involvement are available on this project.

2.2.3 Project Construction Budget:

Prepare a Project budget as soon as major Project requirements have been identified, and update periodically for the Owner's approval.

2.2.3.1 Prepare an estimate based on a quantity survey of drawings and specifications at the end of the schematic design phase for approval by the Construction Management Team as the "Project Construction Budget".

2.2.3.2 Update and refine this estimate for the Owner's approval as the development of the drawings and specifications proceeds, and advise the Construction Management Team if it appears that the Project Construction Budget will not be met and make recommendations for corrective action.

2.2.3.3 Evaluate possible alternatives as the design proceeds, in order to permit the selection of the most economical materials and methods that will satisfy the design concept, and the schedule.

2.2.3.4 Establish a cost control program and prepare a projected cash flow for the Project.

2.2.4 Coordination of Trade Contract Documents

Review the drawings and specifications as they are being prepared, recommending alternative solutions whenever design details affect construction feasibility or schedules.

2.2.4.1 Make recommendations to the Owner and the Consultant regarding the division of Work in the drawings and specifications to help facilitate the bidding and awarding of trade contracts, allowing for phased construction, taking into consideration such factors as time of performance, availability of labor, overlapping trade jurisdictions, and provisions for temporary facilities.

2.2.5 Construction Planning

Plan and arrange for supply of temporary services and site facilities including but not limited to office accommodation and supplies, site hoardings, access, storage areas, temporary power and lighting, temporary enclosures, heating, drainage and water facilities, job offices, job security, materials and personnel hoisting facilities and equipment, safety measures, access stairs and ladders, protection of finishes and continuous cleanup.

2.2.5.1 Review with the Consultant the drawings and specifications to eliminate areas of conflict and overlapping in the Work to be performed by the various Trade Contractors.

2.2.5.2 Review with the Construction Management Team the construction insurance needs for the Project.

2.2.5.3 Make recommendations to the Construction Management Team with respect to the bonding of Trade Contractors.

2.2.5.4 Assemble all bid documents for the solicitation of competitive bids for Work to be performed by Trade Contractors. Arrange for the advertising of such bid calls and prepare the necessary pre qualification criteria.

- 2.2.5.5 Assist local suppliers/subcontractors in assimilating tender package information and provide guidance in tender submission requirements.
- 2.2.5.6 Analyze all trade contract and material quotations, review with the Owner and Consultant and provide summary results. Consult with Steering Committee, as required, to update them on local involvement issues relating to contracts
- 2.2.5.7 Once awards are approved by the Owner, prepare the trade contracts for execution between the Construction Manager and the contractors/suppliers.
- 2.2.5.8 Assemble the trade contract documents for all successful Trade Contractors. Check where required that all bonds, insurance policies, and workers compensation certificates are provided.
- 2.2.5.9 Assist the Construction Management Team in obtaining all approvals, permits, and licenses required for the project.
- 2.2.5.10 Assist the Owner to arrange for legal surveys of the Project. The Construction Manager shall be responsible for the maintenance of base lines and levels but Trade Contractors shall be responsible for detailed setting out of their work.

## **2.3 CONSTRUCTION PHASE**

### **2.3.1 Project Control:**

**Monitor the Work of the Trade Contractors and coordinate the Work with the activities and responsibilities of the Owner, Consultant and Construction Manager.**

- 2.3.1.1 **Maintain a competent full-time staff at the Place of the Project to coordinate and provide general direction of the Project and progress of the Trade Contractors on the Project.**
- 2.3.1.2 **Establish on-site organization and lines of authority in order to carry out the overall plans of the Construction Management Team.**
- 2.3.1.3 **Establish procedures for coordination among the Owner, Consultant, Trade Contractors and Construction Manager with respect to all aspects of the Project and implement such procedures.**
- 2.3.1.4 **Schedule and conduct progress meetings at which Trade Contractors, Owner, Consultant and Construction Manager can discuss jointly such matters as procedures, progress, problems and scheduling.**
- 2.3.1.5 **Provide regular monitoring of the schedule as construction progresses. Identify potential variances between scheduled and probable completion dates. Review schedule for work not started or incomplete and recommend to the Owner and Trade Contractors adjustments in the schedule to meet the probable completion date. Provide summary reports of each monitoring and document all changes in schedule. Revise the schedule as required by GC 5-DELAYS and GC 9-CHANGES IN THE PROJECT.**
- 2.3.1.6 **Review the adequacy of the Trade Contractors' personnel and equipment and the availability of materials and supplies to meet the schedule. Recommend courses of action to the Owner when requirements of a trade contract are not being met.**

2.3.1.7 Monitor and inspect the work of the Trade Contractors to ensure that they are conforming to the requirements of their contract and that the quality and schedule of their work will not adversely affect the performance of other Trade Contractors work.

2.3.2 Physical Construction:

Provide all of the construction facilities and services common to the requirements of all Trade Contractors, both temporary and permanent, as are planned and called for in item 2.2.5 above. Ensure that all bidders are informed of the facilities and services being provided.

2.3.2.1 Advise the Owner of work which should best be done by the Construction Manager. Where the Owner approves of work to be done by the Construction Manager, such work shall be performed in accordance with the Contract Documents and, unless otherwise agreed, paid for by the Owner pursuant to ARTICLE A-7 OWN FORCES WORK.

2.3.2.2 Provide advice and assistance on labor problems in order to minimize work stoppages and in the settlement of jurisdictional or other labor disputes.

2.3.3 Cost Control and Accounting:

Develop, implement and maintain an effective system of Project cost control. Revise and refine the initially approved Project Construction Budget, incorporated approved changes as they occur, and develop cash flow reports and forecasts as needed. Identify variances between actual and budgeted or estimated costs and advise Owner and Consultant whenever projected cost exceeds budgets or estimates.

2.3.3.1 Maintain accounting records and afford the Owner access to these records.

2.3.3.2 Provide for and administer the necessary procedures to permit recovery of all tax rebates where applicable.

2.3.3.3 If requested, assist the Construction Management Team in implementing changes necessary to bring the projected costs within budgets or estimates.

2.3.3.4 Prepare regular reports covering the progress and financial status of the project, expenditures to date, and forecast completion schedule and report on an ongoing basis to the Construction Management Team.

2.3.4 Changes in the Work:

Develop and implement a system for the preparation, review and processing of Changes in the Work. Recommend necessary or desirable Changes in the Work to the Construction Management Team, review requests for Changes in the Work, submit recommendations to the Construction Management Team and assist in their negotiation.

2.3.5 Payments to Trade Contractors and Suppliers:

2.3.5.1 Develop and implement a procedure for the review, certification, processing and payment of applications by Trade Contractors for progress and final payments.

2.3.5.2 Advance funds to Trade Contractors to meet their payroll requirements and establish payment assignments to suppliers of Trade Contractors, when requested and approved by Owner.

**2.3.6 Other Consultants:**

Assist the Owner in selecting and retaining the professional services of a surveyor, testing laboratories, geotechnical and other specialists and coordinate these services, without assuming any responsibility or liability of or for these consultants or their work.

**2.3.7 Inspection:**

Periodically inspect the Work of Trade Contractors for defects and deficiencies in the Work without assuming any of the Consultant's responsibilities for inspection. Inspection by the Construction Manager shall not relieve the Trade Contractor from their responsibility for nor make the Construction Manager responsible for construction means, methods, techniques, sequences and procedures, nor for their responsibility to carry out the Work in accordance with their contracts.

**2.3.7.1** Review the safety programs of each of the Trade Contractors and make appropriate recommendations. In making such recommendations and carrying out such reviews, the Construction Manager shall not be required to make exhaustive or continuous inspections to check safety precautions and programs in connection with the Project. The performance of such services by the Construction Manager shall not relieve the Trade Contractors of their responsibilities for the safety of persons and property, and for compliance with the federal, provincial and local statutes, rules, regulations and orders applicable to the conduct of the Work.

**2.3.8 Document Interpretation:**

Refer all questions for interpretation of the documents prepared by the Consultant to the Consultant.

**2.3.9 Shop Drawings and Samples:**

With the Consultant, establish and implement procedures for expediting the receipt, processing and review of shop drawings and samples.

**2.3.10 Reports and Project Site Documents:**

Submit written progress reports to the Owner and the Consultant including budget and scheduling information. Keep a daily log available to the Owner and the Consultants.

**2.3.10.1** Maintain at the Place of the Project, on a current basis, records of all necessary contracts, drawings, samples, purchases, materials, equipment, maintenance and operating manuals and instructions, and other construction related documents, including all revisions. Obtain data from Trade Contractors and maintain a current set of Project record documents and operating manuals. At the completion of the project, deliver all as-built drawings, maintenance manuals and operating instructions supplied by Trade Contractors to the Owner.

**2.3.11 Substantial Performance of the Work:**

Subject to applicable legislation arrange with the Consultant for the issuance of the necessary certificates respecting substantial performance of the Work or designated portions thereof and prepare with the Consultant a list of incomplete or unsatisfactory items and a schedule for their completion.

**2.3.11.1** Distribute substantial performance and total performance certificates.



2.3.12 Start-Up:

With the Owner's maintenance personnel and the Consultant, direct the check-out of utilities, operations systems and equipment for readiness and assist in their initial start-up and testing by the Trade Contractors.

2.3.13 Total Performance of the Work:

Arrange with the Consultant for the certification of total performance and provide written notice to the Owner and Consultant that the Work is ready for final inspection. Seek and transmit to the Consultant as received warranties, affidavits, releases, bonds, waivers, manuals and record drawings. Turn over to the Owner all keys and maintenance stocks.

**2.4 POST-CONSTRUCTION PHASE**

2.4.1 Upon completion, inspect all work for conformance with the contract documents in cooperation with the Owner and Consultants.

2.4.2 Maintain a close relationship with the Owner's operating staff to ensure a smooth and proper takeover of the Project, including all necessary training and instruction of the Owner's personnel.

2.4.3 Prepare a final report to the Owner outlining the benefits to the community, local business and trades people resulting from this project.

2.4.4 Administer all warranties by the subcontractors during the warranty period.

**2.5. ADDITIONAL SERVICES**

At the request of the Owner, the Construction Manager will provide the following additional services upon written agreement between the Owner and Construction Manager defining the extent of such additional services and the amount and manner in which the Construction Manager will be compensated for additional services.

2.5.1 Services related to investigation, appraisals or valuations of existing conditions, facilities or equipment, or verifying the accuracy of existing drawings or other Owner-furnished information.

2.5.2 Services related to Owner-furnished equipment, furniture and furnishings which are not a part of this Contract.

2.5.3 Services for tenant or rental spaces not a part of this Contract.

2.5.4 Obtaining or training maintenance personnel or negotiating maintenance service contracts.

2.5.5 Services related to the resolution of claims, adjudication of disputes or litigation.

2.5.6 Other:

Provide services related to payment of local trade contractor's and suppliers' invoices, on a cycle more frequent than that normal within a G.N.W.T. Major Works Contract. Under no circumstances will the Construction Manager pay contractor's and suppliers' invoices prior to receiving funds from the Owner.

### **GC 3 TRADE CONTRACTORS**

- 3.1 All portions of the Work that the Construction Manager does not perform with his Own Forces, shall be performed by Trade Contractors. The Construction Manager shall prepare Tender Documents, Tender the Work and receive Tenders from Trade Contractors.
- 3.2 All such Tenders shall be tendered and evaluated in accordance with the GNWT's Contract Regulations, Department of Public Works and Services Guidelines and the Business Incentive Policy (BIP). Tender Documents shall include the Terms and Conditions of the foregoing as appropriate.
- 3.3 The Construction Manager shall prepare a Tender summary and shall review submitted Tenders with the Consultant and Owner. The Construction Manager shall make recommendations to the Owner for award of the Trade Contract and shall receive from the Owner agreement with the recommendation prior to entering into a Trade Contract.
- 3.4 Every Trade Contract (subcontract) entered into by the Construction Manager shall adopt all of the Terms and Conditions of this contract that are of General Application.
- 3.5 The Construction Manager shall be responsible to the Owner for the acts and omissions of his agents and employees, Trade Contractors performing Work under a contract with the Construction Manager, and such Trade Contractor's agents and employees and any cost incurred due to this responsibility shall be a reimbursable expense unless due to the negligence of the Construction Manager.
- 3.6 The Owner shall make payment to the Construction Manager for the work completed by the Trade Contractors in accordance with ARTICLE A-8 PAYMENT.
- 3.7 The Owner hereby designates and appoints the Construction Manager as "Agent for the Owner", for the purpose of preparing, executing and administrating the Trade Contract documents.

### **GC 4 OWNER'S RESPONSIBILITY**

- 4.1 The Owner shall provide full and timely information regarding his requirements for the Project.
- 4.2 The Owner shall designate in writing a representative who shall be fully acquainted with the Project and shall have the authority to act on the Owner's behalf in relation to all duties and responsibilities of the Owner under this Contract including the authority to issue and approve the Project Construction Budget and Changes in the Project and who shall furnish information expeditiously and tender decisions promptly. The Construction Manager shall in all respects be entitled to rely upon such designated representatives as having full and complete authority in all matters.
- 4.3 The Owner shall retain a Consultant who shall be responsible for the design and design-related services required for the Project. The duties, responsibilities and services to be provided by the Consultant shall be described in the agreement between the Owner and the Consultant, a copy of which shall be furnished to the Construction Manager. The agreement between the Owner and the Consultant shall not be modified without written notification to the Construction Manager.
- 4.4 The Owner shall furnish promptly to the Construction Manager all necessary information regarding the Place of the Project including surveys as to the physical characteristics of the site, soils reports and subsurface investigations, legal limitations, utility locations and legal description. The Construction Manager shall have no responsibility or liability with respect to these matters including their suitability or non-suitability to the Project and shall be entitled to rely entirely upon the completeness and accuracy thereof.

- 4.5 The Owner shall arrange to secure and pay for all necessary approvals, permits, easements, assessments and charges required for the construction, use or occupancy of permanent structures or permanent changes in existing facilities.
- 4.6 The Owner shall furnish such legal and auditing services as are required for the performance of the Contract.
- 4.7 The Owner shall provide, maintain and pay for the Course of Construction insurance coverage outlined in GC 17 - Insurance.
- 4.8 The Owner shall promptly notify the Construction Manager in writing of any defective, faulty or non-conforming work of which he becomes aware.
- 4.9 The Owner and the Consultant shall communicate with the Trade Contractors solely through the Construction Manager.
- 4.10 The Owner shall ensure the adequate financing is available in order to ensure the completion of the Project.
- 4.11 The Construction Manager shall provide for the payment of all Trade Contractors in accordance with the terms and conditions of his agreements with such Trade Contractors and in conformity with the payment certificates issued by the Consultant and in accordance with GC 10.3.

#### **GC 5 DELAYS**

- 5.1 If the Construction Manager is delayed at any time in the progress of the Project by any act or omission of the Owner or the Consultant or anyone engaged by them directly or indirectly, then the Contract Time shall be extended by a reasonable period of time and the Contract Fee shall be adjusted by a reasonable amount.
- 5.2 If the Construction Manager is delayed at any time in the progress of the Project by a stop work order issued by a court or other public authority and, providing that such order was not issued as the result of an act or fault of the Construction Manager or anyone employed or engaged by him directly or indirectly, then the Contract Time shall be extended by a reasonable period of time and the Contract Fee shall be adjusted by a reasonable amount.
- 5.3 If the Construction Manager is delayed in the progress of the Project by labor disputes, strikes, lock-outs, fire, unusual delay in transportation, adverse weather conditions not reasonably foreseeable, unavoidable casualties or, without limit to the foregoing, any cause beyond the Construction Manager's control, then the Contract Time shall be extended by a reasonable period of time and the Contract Fee shall be adjusted accordingly.
- 5.4 No extension of the Contract Time nor adjustment to the Contract Fee shall be made for delay unless written notice of claim is given to the Owner within thirty (30) days after the occurrence of the event giving rise to the delay.
- 5.5 Where the Owner and Construction Manager are unable to agree upon the appropriate adjustment to be made to the Contract Time or Contract Fee, such adjustment shall be determined in accordance with GC 11-DISPUTES.

#### **GC 6 OWNER'S RIGHT TO PERFORM CONTRACT OR TO TERMINATE CONTRACT**

- 6.1 If the Construction Manager should be adjudged bankrupt, or makes a general assignment for the benefit of creditors because of his insolvency, or if a receiver is appointed because of his insolvency, the Owner may, without prejudice to any other right or remedy he may have, by giving the Construction Manager or receiver or trustee in bankruptcy written notice, terminate the Contract.
- 6.2 If the Construction Manager should neglect to provide the services required by the Contract to a substantial degree, the Owner may notify the Construction Manager in writing that he is in default of his contractual obligations and instruct him to correct the default within seven (7) working days immediately following the receipt of such notice.

- 6.3 If the correction of the default cannot be completed in the seven (7) working days specified, the Construction Manager shall be in compliance with the Owner's instructions if he:
- (a) commences the correction of the default within the specified time and,
  - (b) provides the Owner with an acceptable schedule for such correction, and
  - (c) completes the correction in accordance with such schedule.
- 6.4 If the Construction Manager fails to correct the default in the time specified or subsequently agreed upon, the Owner, without prejudice to any other right or remedy he may have, may:
- (a) correct such default and deduct the cost thereof from any payment of fee then or thereafter due to the Construction Manager, or
  - (b) terminate the Construction Manager's right to perform the Contract in whole or in part or terminate the Contract.
- 6.5 If the Owner terminates the Construction Manager's right to perform the Contract, he shall:
- (a) be entitled to take possession of the premises and all materials, equipment, tools, construction equipment and machinery owned by the Construction Manager and finish the project by whatever method he may considered expedient, and
  - (b) pay the Construction Manager those further amounts to which he is entitled in accordance with **ARTICLE A.6 REIMBURSABLE EXPENSES** and **ARTICLE A.7 OWN FORCES WORK** plus the proportionate amount of the Contract Fee earned to the date of termination, and
  - (c) pay the Construction Manger fair compensation, either by purchase or rental, at the option or the Owner, for any construction tools or machinery and equipment retained for use on the Project, and
  - (d) assume and become liable for all obligations, commitments and unliquidated claims that the Construction Manager may have therefore, in good faith, undertaken or incurred in connection with the said Project.

The Construction Manager shall, as a condition of receiving the payments described, execute and deliver all such papers and take such action, including the legal assignment of this contractual rights, as the owner may require for the purpose of fully vesting in himself the rights and benefits of the Construction Manager under the obligations or commitments to be assumed by the Owner.

- 6.6 After the completion of the Pre-Construction Phase, if the final cost estimates make the Project no longer feasible from the standpoint of the Owner, the Owner may terminate the Contract and shall pay the Construction Manager his fee in accordance with **ARTICLE A.5 CONTRACT FEE** plus any **Reimbursable Expenses** incurred pursuant to **ARTICLE A.6 REIMBURSABLE EXPENSES** or **ARTICLE A.7 OWN FORCES WORK**.

## **GC 7 SUSPENSION, ABANDONMENT OR TERMINATION BY THE OWNER**

- 7.1 The Owner may terminate the contract at any time by giving a notice of termination to the Construction Manager in accordance with **ARTICLE A-10**.

- 7.2 When a notice referred to in GC 7.1 is received by the Construction Manager in accordance with ARTICLE A-10, he shall, subject to any conditions stipulated in the notice, forthwith cease all operations in performance of the contract.
- 7.3 Should the Owner terminate the Contract, the Construction Manager shall be entitled to the following:
- (a) reimbursement for all items completed and delivered up to the date of termination,
  - (b) reimbursement for the costs, as outlined in ARTICLE A-7 REIMBURSABLE EXPENSES, to the Construction Manager for Work in progress and expenses incurred in the course of the Work, up to the date of termination,
  - (c) reimbursement for costs and expenses directly caused by the cancellation,
  - (d) reimbursement for the work completed by Own Forces and/or Trade Contractors up to the date of termination,
  - (e) A sum in premature termination of this Agreement calculated as follows:
    - i) should the suspension, abandonment or termination occur during the Pre-Construction Phase, 100 percent of the Pre-Construction Phase contract fee not expended or
    - ii) should the suspension, abandonment or termination occur during the Construction Phase, 25 percent of the Construction Phase contract fee not expended.
- 7.4 Title to the Work shall vest in the Owner,
- 7.5 The Owner shall not be liable to the Construction Manager for consequential loss, damages of business opportunity or loss of anticipated profit on the canceled portion or portions of the Work.
- 7.6 GC 7.3 through GC 7.4 shall not apply if the Construction Manager is in breach of contract.
- 7.7 Any action by the Owner under this clause shall be without prejudice to the Owner's other rights or remedies under the Contract.
- 7.8 Suspension or abandonment shall be deemed to have occurred should the Work on the Project have been stopped at the Owner's request and should such stoppage have continued for a period of sixty ( 60 ) days or more.

#### **GC 8 CONSTRUCTION MANAGER'S RIGHT TO TERMINATE CONTRACT**

- 8.1 If the Owner should be adjudged bankrupt or makes a general assignment for the benefit of creditors because of his insolvency or if a receiver is appointed because of his insolvency, the Construction Manager may, without prejudice to any other right or remedy he may have, by giving the Owner or receiver or trustee in bankruptcy written notice, terminate the Contract.
- 8.2 If the Project or substantial part thereof should be stopped or otherwise delayed for a period of thirty (30) days or more under an order of a court or other public authority having jurisdiction and providing that such order was not issued as the result of an act or fault of the Construction Manager, the Construction Manager may, without prejudice to any other right or remedy he may have, by giving the Owner written notice, terminate the Contract.

- 8.3 Should the Owner suspend the Project for a period of sixty (60) days as contemplated by GC 7-SUSPENSION ABANDONMENT OR TERMINATION BY OWNER WITHOUT CAUSE, and the Owner has not instructed the Construction Manager to resume the Project within five (5) working days after the Construction Manager gives the Owner written notice of his intention to resume the Project, and providing such suspension was not due to the default of the Construction Manager, then the Construction Manager may, without prejudice to any other rights or remedies he may have, by giving the Owner written notice, terminate the Contract.
- 8.4 The Construction Manager may notify the Owner in writing that the Owner is in default of his contractual obligations if:
- (a) the Owner fails to pay the Construction Manager when due those amounts which are due and payable in accordance with the Contract or an award by arbitration or court, or
  - (b) the Owner violates the requirements of the Contract to a substantial degree
- The Construction Manager's written notice to the Owner shall advise that if the default is not corrected in the seven (7) working days immediately following the receipt of the written notice the Construction Manager may, without prejudice to any other right or remedy he may have, terminate the Contract.
- 8.5 If the Construction Manager terminates the Contract as herein set out, he shall be paid forthwith all sums to which he is entitled pursuant to paragraph 7.1 of GC 7-SUSPENSION, ABANDONMENT OR TERMINATION BY OWNER WITHOUT CAUSE.

## **GC 9 CHANGES IN THE PROJECT**

- 9.1 Should the Owner during the Pre-Construction Phase require a significant revision in the design concept then developed, the Contract Fee and the Contract Time shall be subject to an appropriate adjustment. Any additional fee to which the Construction Manager is entitled shall be such sum as having regard to the total fee payable by this Contract for the Pre-Construction Phase represents the amount of the services provided by the Construction Manager which must be duplicated by such change. The Contract Time and the date for Substantial Performance of the Project shall each be extended to reflect such additional time as may reasonably be required having regard to all circumstances as a result of the change required by the Owner.
- 9.2 Should the Owner or his Consultant make changes in all or any portion of the work during the course of the Construction Phase and should such changes singly or collectively have the effect of extending the Contract Time or the date of Substantial Performance or Total Performance of the Project, the Construction Manager shall be entitled to payment of an additional fee having regard to that portion of the fee allocated to the Construction Phase of the Agreement as reflects the additional time for which the Construction Manager is required to be engaged on the Project.
- 9.3 The Construction Manager shall advise the Owner promptly when he determines that changes as herein contemplated will delay the date of Substantial Performance of the Project, extend the Contract Time, and entitle the Construction Manager to payment of an additional fee.
- 9.4 If the Owner and Construction Manager cannot agree on the change in Contract Time and Contract Fee, the matter shall be determined in accordance with the provisions of GC 11-DISPUTES.
- 9.5 Changes in the Work will be by written order, prepared by the Consultant and signed by the Owner and served to the Construction Manager in accordance with Article A-10.
- 9.6 Should changes in the work ordered by the Owner in accordance with 9.5 increase or decrease the cost of the work to Own Forces and/or Trade Contractors, the cost of the change shall be determined as follows:
- 9.6.1 By unit prices stated in the contract or subsequently agreed upon, such unit prices to include all costs, including overhead and fee but not those indicated in 9.1 and 9.3.

- 9.6.2 If the method described in 9.6.1 cannot be used because the labor, plant or material is of a kind or class that is not set out in the Unit Prices, the cost of that labor, plant or material for the purposes of the contract shall be the amount agreed upon from time to time by the Construction Manager and the Owner.
- 9.6.3 If the parties or the methods described in 9.6.1 and 9.6.2 fail for any reason to achieve a determination of the cost of labor, plant and material for the purposes referred to therein, that cost shall be equal to the aggregate of:
- 9.6.3.1 All reasonable and proper amounts actually expended or legally payable by the Construction Manager for Own Forces or Trade Contractors work in respect of the labor, plant or material that fails within one of the classes of expenditure described in 9.6.3.2 that are directly attributable to the performance of the contract and;
  - 9.6.3.2 An allowance for profit and all other expenditures or costs, including those referred to in GC 9.6.3.1 or of a class referred to in GC 9.6.4, in an amount that is equal to:
    - (a) 5% of the sum of the expenses referred to in GC 9.6.4.1.
    - (b) 10% of the sum of the expenses referred to in GC 9.6.4.2 to GC 9.6.4.8.
- 9.6.4 For the purposes of GC 9.6.3.1 the classes of expenditure that may be taken into account in determine the cost of labor, plant and material are:
- 9.6.4.1 Payments to Subcontractors and Trade Contractors including 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 where not completed/provided by Own Forces;
  - 9.6.4.2 Wages, salaries and traveling expenses of employees of the Trade Contractor while they are actually and properly engaged on the work, other than wages, salaries, bonuses, living and traveling expenses of personnel of the Trade Contractor generally employed at the head office or at a general office of the Trade Contractor unless they are engaged at the work site with the approval of the Owner;
  - 9.6.4.3 Assessments payable under any statutory authority relating to worker's compensation, unemployment insurance, pension plan or holidays with pay;
  - 9.6.4.4 Rent that is paid for plant or an allowance for depreciation of plant owned by the Trade Contractor that is necessary for and used in the performance of the work, if that rent or allowance is reasonable and use of that plant has been approved by the Owner;
  - 9.6.4.5 Payments for maintaining and operating plant necessary for and used in the performance of the work, and payments for effecting such repairs thereto as, in the opinion of the Owner, 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;
  - 9.6.4.6 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;
  - 9.6.4.7 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 where completed by Own Forces;

- 9.6.4.8 Any other payments made by the Trade Contractor or the Construction Manager with the approval of the Owner that are necessary for the performance of the contract.

#### **GC 10 APPLICATIONS FOR PAYMENT**

- 10.1 The Construction Manager shall submit to the Owner on a monthly basis, or on such other basis that may be mutually agreed upon, an application for payment covering all Reimbursable Expenses incurred during the previous period pursuant to ARTICLE A-6 REIMBURSABLE EXPENSES and the amount of the Contract Fee then due as provided in ARTICLE A-5 CONTRACT FEE and for work performed directly by the Construction Manager pursuant to ARTICLE A-7 OWN FORCES WORK.
- 10.2 (a) The Pre-Construction Phase portion of the Contract Fee shall be payable monthly as set out in ARTICLE A-5 CONTRACT FEE. The balance of the Pre-Construction Phase fee, if any, shall be paid at the commencement of construction.
- (b) Prior to commencement of construction, the Construction Manager shall, in accordance with sub-paragraph 2.2.2.2 of GC-2 CONSTRUCTION MANAGER'S SERVICES, provide a schedule showing the time required to achieve Substantial Performance of the Project. That portion of the fee payable for the Construction Phase shall be payable in proportion to the degree of completion of the Project commencement of construction to achievement of Substantial Performance of the Project. Upon certification of Substantial Performance of the Project, the balance, if any, of the Construction Phase fee shall become due and payable.
- (c) Should the state of completion of the Project at any time during the Construction Phase be delayed through no fault of the Owner or his Consultant, then the amount payable by the Owner each month shall be such that the total of all sums paid in monthly installments on account of the Construction Phase fee to the Construction Manager to date of payment when related to the total Construction Phase fee as a percentage reflects the degree of completion of the construction of the Project at the date of that payment. Thereafter the amount of the fee payable monthly shall be adjusted either up or down so as to ensure that the total fees paid to the Construction Manager monthly when related to the total fee payable under this Contract for the Construction Phase is equal to the degree of completion of construction of the Project. In any event the Construction Manager shall be entitled to payment in full of his Construction Phase fee upon certification of Substantial Performance of the Project.
- (d) The fee for the Post-Construction Phase shall be paid in equal monthly installments in accordance with ARTICLE A-5 CONTRACT FEE commencing the end of the first month following Substantial Performance of the Project with the balance paid at Total Performance of the Project or as mutually agreed to between the Construction Manager and the Owner.
- 10.3 The Owner shall make payment to the Construction Manager on account in accordance with the provisions of ARTICLE A-5 CONTRACT FEE no later than twenty (20) days following the date of receipt of an application for payment and upon receipt of payment the Construction Manager shall immediately make payment to the Trade Contractors.

#### **GC 11 DISPUTES**

- 11.1 The parties agree that, both during and after the performance of the Work under the Contract, each of them shall use their best efforts to resolve any dispute arising between them by negotiations, and shall provide timely disclosure of all relevant facts, information and commentation to facilitate these negotiations. Where representatives of the Owner and of the Construction Manager are unable to resolve a dispute, the dispute shall be referred to the Referee referred to in Clause 11.2.



- 11.2 Within thirty days of the parties signing the Contract the parties shall name a Referee who may be called upon during the performance of, or after the completion of the Work, to settle any dispute arising under the contract.
- 11.3 The Referee shall review the decision of the Construction Manager and may if he deems it appropriate require the parties to supply him with further information or documentation, giving each party an opportunity to respond to him, and to inspect the work after giving reasonable notice to each party of the time he intends to do so.
- 11.4 The Referee may if he deems it appropriate attempt to mediate the dispute between the parties.
- 11.5 Not later than thirty days after the receipt of the last documentary submission, where the matter remains unresolved, the Referee shall make his written decision, with reasons, and issue the decision to the parties.
- 11.6 The Owner and the Construction Manager shall bear equally any costs of retaining the Referee and unless otherwise ordered by the Referee, the costs and expenses of any submission to the Referee.
- 11.7 Within fourteen days after the Referee has given his decision, either party may, by written notice to the other Party, indicate his intent not to accept the decision of the Referee.
- 11.8 The procedure outlined above for the resolution of disputes shall be strictly complied with and shall be a condition precedent to any other proceedings.

#### **GC 12 ASSIGNMENT**

- 12.1 Neither party to the Contract shall assign the Contract or a portion thereof without the written consent of the other, which consent shall not be unreasonably withheld.

#### **GC 13 PATENT FEES**

- 13.1 The Construction Manager shall hold the Owner harmless from and against claims, demands, losses, costs, damages, actions, suits or proceeding arising out of the Construction Manager's performance of the Contract which are attributable to an infringement or an alleged infringement of a patent or invention in executing anything fro the purpose of the Contract, the model, plan or design of which was supplied to the Construction Manager for the performance of the Contract.
- 13.2 The Owner shall hold the Construction Manager harmless against, claims, demands, losses, costs, damages, actions, suits or proceedings arising out of the Construction Manager's performance of the Contract which are attributable to an infringement or an alleged infringement of a patent or invention in executing anything for the purpose of the Contract, the model, plan or design of which was supplied to the Construction Manager for the performance of the Contract.

#### **GC 14 WAIVER**

**Deleted**

#### **GC 15 INDEMNIFICATION BY THE OWNER**

- 15.1 The Owner shall indemnify and hold harmless the Construction Manager, his agents and employees, from and against all claims, demands, losses, costs, damages, actions, suits or proceedings by third parties, including all legal fees, costs and expenses incurred in defending such claims, that arise out of or are attributable to the performance of the Contract except any proportion thereof which are attributable to acts or omissions of the Construction Manager, his agents or employees, which constitute a breach of this Contract and for which the Construction Manager is liable under the terms of this Contract.

15.2 The Owner shall indemnify and hold harmless the Construction Manager, his agents and employees, from and against all claims, demands, losses, costs, damages, actions, suits or proceedings arising out of the performance of the Contract which are:

- (a) attributable to a lack of or defect in title or an alleged lack of defect in title to the Place of the Project; or
- (b) attributable to the negligence of or a breach of contract by the Consultant or Owner, or negligence or breach of contract by any Trade Contractor.

#### **GC 16 INDEMNIFICATION BY CONSTRUCTION MANAGER**

16.1 The Construction Manager shall indemnify and hold harmless the Owner, his agents and employees, from and against claims, demands, losses, costs, damages, actions, suits or proceedings by third parties that arise out of, or are attributable to, the Construction Manager's performance of the Contract (hereinafter the called 'claims'), provided such claims are:

- (a) attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property; and
- (b) caused by negligent acts or omissions of the Construction Manager or those directly employed or engaged by the Construction Manager;
- (c) made in writing within a period of one (1) year from the date of Substantial Performance of the Project.

The Owner expressly waives the right to indemnify for claims other than those stated above.

#### **GC 17 INSURANCE**

17.1 The Construction Manager shall maintain insurance contracts in respect of the work and in accordance with Appendix "C";

17.1.1 with insurance companies which comply with the Northwest Territories Insurance Act, are approved by the Minister, and

17.1.2 that are in a form, of the nature, in the amounts, for the periods and containing the terms and conditions, if any, specified in the Insurance Conditions, Appendix C, and

17.1.3 the cost of such insurance shall be a Reimbursable Expense.

17.2 The Owner shall maintain Course of Construction cost in respect of the work and in accordance with Appendix "C".

#### **GC 18 PUBLIC CEREMONIES AND SIGNS**

18.1 The Construction Manager shall not permit any public ceremony in connection with the work without the prior consent of the Owner.

18.2 The Construction Manager shall not erect or permit the erection of any sign or advertising on the work or its site without the prior consent of the Owner.

## **GC 19 WARRANTY**

- 19.1 Without restricting any warranty or guarantee implied or imposed by law or contained in the contract documents, the Construction Manager shall rectify and make good any defect or fault that appears in the work of Own Forces and/or the Trade Contractors or comes to the attention of the Owner within 12 months from the date of Substantial Performance referred to in GC 2.3.11 and any such costs shall be a reimbursable expense as per Appendix "A", Clause 2(j).
- 19.2 The Owner may direct the Construction Manager to rectify and make good any defect or fault referred to in 19.1 or covered by any other expressed or implied warranty or guarantee.

## **GC 20 LABOR CONDITIONS**

- 20.1 The Construction Manager shall use Canadian Labor and Material in the performance of the work to the full extent to which they are procurable, consistent with proper economy and the expeditious carrying out of the work.
- 20.2 Subject to 20.1, the Construction Manager shall in the performance of the work, employ labor from the locality where the work is being performed to the extent to which it is available and shall use the offices of the Manpower Development Division of the GNWT or Canada Employment Center where these exist for the recruitment of workers wherever possible.

## **GC 21 EMPLOYMENT REPORT**

The Construction Manager and Trade Contractors will be required to submit the following information for every employee that has worked on this project. This report shall include information on employee's hired by sub-trades and sub-sub-trades. (Refer to Appendix B, Page 2.)

- Name of Employee:
- Employee's Address:
- Date Hired:
- Date Terminated:
- Number of Hours Worked:
- Gross Income to Date:
- Classification:
- Reporting Period:

This information must be submitted with the Certification of Substantial Completion, and updated with the Certificate of Total Performance. If this information is not provided or is incomplete it may cause delays in processing payment(s).

Job classification categories are as follows:

- 1) Superintendent
- 2) Carpenter
- 3) Carpenter Apprentice
- 4) Mechanical
- 5) Mechanical Apprentice
- 6) Electrician
- 7) Electrical Apprentice
- 8) Drywall/Painter
- 9) Drywall/Painter Apprentice
- 10) Laborer
- 11) Other (please specify)

**It is the Construction Managers responsibility to get the required information from the Trade Contractor, Sub-trades and Sub-Sub- trades.**

**GC 22 GOODS AND SERVICES TAX**

- 22.1 The Goods and Services purchased under this contract are being purchased by the Government of the Northwest Territories with Crown funds and are not subject to the Goods and Services Tax.**
- 22.2 The Construction Manager shall be entitled to receive a Goods and Services Tax refund from Revenue Canada for the full extent of any Goods and Service Tax paid for goods and services used in the completion of this contract. An exemption certificate shall be provided to the Construction Manager by the Owner at the time of contract award.**

## APPENDIX B

### 1.0 LOCAL AND NORTHERN BUSINESS INCENTIVE

- .1 One of the priorities of the Owner is to ensure that Local and Northern materials, equipment, labour and other services are used to the fullest extent practical on this project. The Contractor is required to comply with the requirements of the Business Incentive Policy and to submit the required information within the deadlines stipulated. Copies of the current Business Incentive Policy are available from the Owner.
- .2 In addition to the requirements of the Business Incentive Policy (BIP), the Contractor shall use the maximum amount of local and/or NWT goods and services in undertaking this contract.
- .3 For purposes of this tender, local shall be considered to be the community of Fort Smith.

### 2.0 EMPLOYMENT REPORT

The General Contractor will be required to complete an Employment Report for ALL site employees that have worked on this project. The Contractor is required to complete a standard GNWT employee report (Form #NWT 4162/0393).

A SAMPLE of the required Employment Report is attached on the following page. This form is available from the Owner or from the Contracts Division, Department of Public Works and Services.

This information shall be submitted with Interim Certificate of Completion, updated with the Final Certificate of Completion and may be required at each progress claim at the sole discretion of the Owner. If this information is not provided or is incomplete, it may cause delays in processing payment(s).

**It is the General Contractor's responsibility to obtain the required information from the sub trades and sub sub trades.**

## APPENDIX C

### INSURANCE CONDITIONS

#### C 1 COMPREHENSIVE GENERAL LIABILITY

- 1.1 Comprehensive General Liability Insurance with limits of not less than two million dollars inclusive per occurrence for bodily injury, death, and damage to property including loss of use thereof. This insurance shall be maintained continuously from commencement of the work until not less than twelve (12) months from the date of the Final Certification of Completion. The Owner is not to be added as an Insured under this policy. Such insurance shall include but is not limited to:
  - 1.2 Premises, Property and Operations Liability;
  - 1.3 Products and Completed Operations Liability;
  - 1.4 Owners' and Contractors' Protective Liability;
  - 1.5 Blanket Written Contractual Liability;
  - 1.6 Non-Owned Automobile Liability;
  - 1.7 Broad Form Property Damage Extension;
  - 1.8 Use of explosives for blasting, shoring, excavating, underpinning, demolition, removal, pile driving and caisson work, work below ground surface, tunneling and grading, as applicable;
  - 1.9 Contingent Employer's Liability;
  - 1.10 Person Injury Liability;
  - 1.11 Employees As Additional Insureds;
  - 1.12 Cross Liability With Respect To Additional Insureds;

#### C 2 AUTOMOBILE LIABILITY INSURANCE

- 2.1 Automobile Liability Insurance in respect of Contractor's owned and leased vehicles shall have limits of not less than two million dollars inclusive per occurrence for bodily injury, death, and damage to property. And when applicable:
  - 2.2 S.E.F. No. 4a Explosives Endorsement;
  - 2.3 S.E.F. No. 21b Blanket Fleet Endorsement.

### C 3 AIRCRAFT AND WATER CRAFT LIABILITY INSURANCE

- 3.1 Aircraft and Watercraft Liability Insurance with respect to owned or non-owned aircraft and watercraft if used directly in or indirectly in the performance of the Work, including use of airport premises, with limits of not less than one million dollars inclusive per occurrence for bodily injury, death and damage to property including loss of use thereof and limits of not less than one million dollars for Aircraft Passenger Hazard. Such insurance shall be in a form acceptable to the Owner.

### C 4 GENERAL INSURANCE CONDITIONS

- 4.1 **Deductible:** Amount of deductible on any insurance provided by Contractor shall be borne in its entirety by Contractor.
- 4.2 **Waiver of Recourse:** Contractor waives all rights of recourse against the Owner for damages to Contractor's property or property of others for which Contractor is responsible and Contractor's Insurers have no right of subrogation against the Owner.
- 4.3 **Notice of Cancellation:** All required insurance shall be endorsed to provide the Owner with 30 days advance written notice of material change, cancellation or termination. Such notices shall be addressed to: The Owner (as noted on the Contractor's Certificate of Insurance).
- 4.4 **Other Insurance:** Contractor shall provide, maintain and pay for any additional insurance which is required to be provided by the Contract Documents, or by law, or which he considers necessary to cover risks not otherwise covered by insurance specified in these conditions.
- 4.5 **Contractor's Certificate of Insurance:** The Contractor shall complete the attached form "Contractor's Certificate of Insurance", and shall within 14 days after the acceptance of the tender deliver this completed certificate to the Owner. Substitute certificates will not be accepted; the Contractor must use this certificate.

### C 5 PROPERTY INSURANCE (All "Risks" Course of Construction Insurance)

- 5.1 Insurance has been purchased by the Owner on a very broad basis, to protect as Insureds, all those who have direct participation in the construction project, for claims which may arise as a result of loss or damage during course of construction.
- 5.2 **Coverage:** "All Risks" of physical loss or damage or destruction while said project is in course of construction, site preparation, reconstruction, repair, erection, fabrication, testing, and including all materials, equipment machinery, structures, property, fitting, fixtures, betterment, and supplies of any nature whatsoever to enter into and form part of the finished project while at the site of operations or elsewhere in Canada or the Continental United States or America, all the property of the Insureds or the property of others for which the insureds have assumed responsibility, or for whom the Insured are required to carry insurance, including while on a river or lake crossing ferry in connection with land transportation..

- 5.3 **Exclusions:** This policy does not cover goods in transit to the site. This is the contractor's risk which he may or may not wish to insure.
- 5.3.1 This policy does not cover the following types of construction and/or maintenance contracts:
- a) Highways & Ferries;
  - b) Water & Sewer Contracts With No Buildings;
- 5.4 **Term:** From the commencement of work to the date of the Interim Certificate of Completion as certified by the Owner.
- 5.5 **Limit of Liability:** The limit of liability at the project site is the estimated full completed value of the project including, but not limited to, owner-supplied labour or materials, reasonable profit, insurance costs, overhead, taxes, labour, administrative fees and all other expenses which are incurred as additional costs as a result of a partial or total loss.



## CONTRACTOR'S CERTIFICATE OF INSURANCE

INSURED:

SCHEDULE OF MANDATORY INSURANCE			
Type of Insurance	Insurer, Policy Number	Policy Period	Limit of Liability/Amount
COMPREHENSIVE GENERAL LIABILITY INCLUDING NON- OWNED AUTOMOBILE LIABILITY		From: _____	BODILY INJURY
		To: _____	\$ _____ Each Person \$ _____ Each Accident \$ _____ Aggregate Products
			PROPERTY DAMAGE \$ _____ Each Accident \$ _____ Aggregate Products
			or, BODILY INJURY & PROPERTY DAMAGE \$ _____ Inclusive \$ _____ Aggregate Products
AUTOMOBILE LIABILITY (OWNED/LEASED VEHICLES)		From: _____	BODILY INJURY
		To: _____	\$ _____ Each Person \$ _____ Each Accident
			PROPERTY DAMAGE \$ _____ Each Accident
			or, BODILY INJURY & PROPERTY DAMAGE \$ _____ Inclusive
<b>ADDITIONAL COVERAGES REQUIRED MARKED BY [ ]</b>			
[ ] UMBRELLA LIABILITY		From: _____ \$ _____	Limits
		To: _____	\$ _____ S.I.R.
[ ] CONTRACTOR'S EQUIPMENT		From: _____	\$ _____
		To: _____	
[ ] OTHER			

This is to certify that policies of insurance as described above have been issued through the undersigned to the Insured named above and are in force at this time. If cancelled or changed in any manner, for any reason, during the period of coverage as stated herein so as to affect this certificate, immediate written notice will be given by the undersigned to the Owner.

(Be sure to complete and sign the reverse side of this form.)

**PARTICULARS OF INSURANCE**

<p><b>GENERAL LIABILITY</b></p> <p><input type="checkbox"/> Premises Property and Operations</p> <p><input type="checkbox"/> Products and Completed Operations</p> <p><input type="checkbox"/> Blanket Contractual - All Written Agreements</p> <p><input type="checkbox"/> Occurrence Property Damage</p> <p><input type="checkbox"/> Broad Form Property Damage</p> <p><input type="checkbox"/> Contingent Employers Liability</p> <p><input type="checkbox"/> Personal Injury</p> <p><input type="checkbox"/> Employees as Additional Insureds</p> <p><input type="checkbox"/> Cross Liability - Severability Of Interests</p> <p><input type="checkbox"/> Blasting, Collapse, Underpinning</p> <p style="padding-left: 20px;">Exclusions deleted as follows:</p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/> Owners' &amp; Contractors' Protective Liability</p>	<p><b>AUTOMOBILE LIABILITY</b></p> <p><input type="checkbox"/> S.E.F. No. 4a Explosive Endorsement</p> <p><input type="checkbox"/> S.E.F. No. 21b Blanket Fleet Endorsement</p> <p><input type="checkbox"/></p> <hr/> <p><input type="checkbox"/> <b>AIRCRAFT LIABILITY</b></p> <p><input type="checkbox"/></p> <hr/> <p><input type="checkbox"/> <b>WATERCRAFT LIABILITY</b></p> <p><input type="checkbox"/></p> <hr/>
<p><b>REMARKS (STATE DEDUCTIBLES) IF ANY</b></p>   	

**THIS IS TO CERTIFY THAT INSURANCE AS DESCRIBED AS ABOVE IS IN FORCE AT THIS TIME**

Name and Address of Insurance Agent,  
Broker or Insurance Company

Written notice of any changes or cancellation of  
this policy shall be sent to the Owner at the  
following address:

Department of Public Works and Services  
Contracts Division  
Government of the N.W.T.  
Box 1320  
Yellowknife, N.W.T.  
X1A 2L9  
Phone: (403) 873-7324  
Facsimile: (403) 873-0181

Date \_\_\_\_\_ By \_\_\_\_\_  
(Authorized Representative)

## APPENDIX D

### CONTRACT SECURITY CONDITIONS

#### CS 1 OBLIGATION TO PROVIDE CONTRACT SECURITY

- 1.1 Construction Manager shall provide one or more of the forms of contract security prescribed in CS2 for work performed as Own Forces, the cost of which shall be a Reimbursable Expense.
- 1.2 If the Construction Manager is required to provide contract security pursuant to CS1.1, the security shall be delivered to the Owner within 14 days after the date that the Construction Manager receives notice that his tender or proposal was accepted by the Owner.
- 1.3 The Construction Manager shall be responsible to obtain Contract Security for Trade Contractors except where the requirement for such Contract Security is waived by the Owner.

#### CS 2 PRESCRIPTION OF ACCEPTABLE CONTRACT SECURITY

- 2.1 If the Construction Manager is required to provide contract security pursuant to CS1, the Owner shall accept from the Construction one or more of the forms of security prescribed in CS2.2 to CS2.6.
- 2.2 A Construction Manager shall deliver to the Owner;
  - 2.2.1 A performance bond and a labor and material payment bond each in an amount that is equal to not less than 50% of the contract amount of Own Forces work and/or Trade Contractors work,
  - 2.2.2 A security deposit in an amount that is equal to 10% of the contract amount of Own Forces work and/or Trade Contractors work, when such form of security has been approved by the Owner in advance.
- 2.3 A performance bond and a labor and material payment bond referred to in CS2.2 shall be in a form as approved by the Federal Treasury Board (Federal Contracts) and be issued by a bonding or surety company that is approved by the Minister.
- 2.4 The amount of a security deposit referred to in CS2.2.2 shall not exceed \$250,000, regardless of the contract amount referred to in the Articles of Agreement.
- 2.5 A security deposit referred to in CS2.2.2, shall be in the form of
  - 2.5.1 "A letter of irrevocable guarantee" in the form authorized by the contract authority payable to the Government of the NWT that is drawn on a bank to which the Bank Act or the Quebec Savings Banks Act applies; or
  - 2.5.2 A certified cheque or bank draft from a bank acceptable to the Owner and made payable to the Government of the NWT.
- 2.6 The "letter(s) of irrevocable guarantee" referred to in CS2.5.1 shall be
  - 2.6.1 Held uncashed until 14 days prior to their expiry date, unless the expiry date is extended for a further term, beyond the contract completion date stated in the Articles of Agreement.

**ATTACHMENT C**

**APPROVAL TO WAIVE  
BOND REQUIREMENTS FOR LOCAL BUSINESS**

AUG 17 1994

DON MORIN  
MINISTER

Applied Arts and Library Building  
Thebacha Campus, Arctic College, Fort Smith

The recent Minister's Brief, dated July 22, 1994, (copy attached), summarizes the tendering and construction progress to date on the above project. The process has evolved through consultation with the Steering Committee and the Construction Manager to provide opportunities for local contractors to participate in the construction of this new facility.

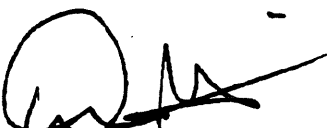
From our early discussions, the business community in Fort Smith have expressed concern that they would be unable to meet the contract security conditions of the GNWT. Our response to date has been that this situation should not restrict local contractors from tendering on this project.

We reviewed the possibility of securing bonding through the Construction Manager on behalf of any local contractors awarded a Major Works Contract. The result however would not be cost effective. The cost of the bonding together with any costs incurred to complete contracts through default of a local contractor would ultimately be an expense of the Construction Manager and would be reimbursed by the GNWT. We are therefore recommending waiving of the contract security for local contractors unable to obtain security. Contract Security will still be required from larger contractors. For example, the recent contract awarded to Scott Steel Ltd., of Edmonton, for \$422,562.00, included our standard contract security conditions.

Your approval is requested to waive the contract security conditions for local contractors unable to meet contract security requirements.

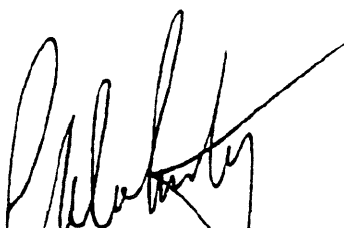
In accordance with our Contract Security Policy, projects estimated to cost over \$100,000 require bonding unless waived by the appropriate signing authority noted below.

\$100,000 - \$500,000 Deputy Minister  
\$500,000 and Over Minister



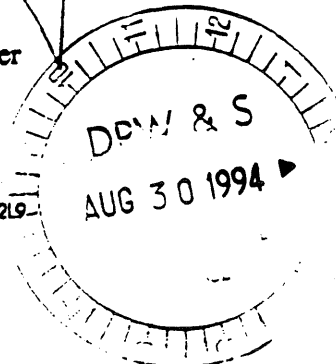
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Approved  
Don Morin, Minister



Bob Doherty  
Deputy Minister

**Buy North**



**ATTACHMENT D**

**LOCAL INVOLVEMENT REPORT**

**Applied Arts & Library Building  
Thebacha Campus, Arctic College  
Fort Smith**

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**LOCAL / NORTHERN INVOLVEMENT REPORT**

As of February 24, the values of construction contracts awarded by Clark Builders are as follows:

Construction / Material

<b>LOCAL</b>	<u>Contract Value</u>	
All Tech Ltd.	\$ 45,000	millwork (instructors area)
All-West Glass	\$ 235,341	exterior glazing
Brown's Transport	\$ 55,202	crane supply / operation
Freund Building	\$ 33,530	concrete reinforcing (supply)
Freund Building	\$ 136,000	millwork (supply)
Freund Building	\$ 93,173	interior glazing
F/S One Call	\$ 145,900	under slab electrical
F/S One Call	\$ 30,900	under slab mechanical
F/S One Call	\$1,104,000	mechanical (new building)
Heron's Trucking	\$ 14,500	warehouse demolition
Mike's Carpentry/Painting	\$ 84,000	painting / cork wall covering
Salt River Concrete	\$ 6,179	temporary site hoarding
Salt River Concrete	\$ 239,146 (est.)	concrete (supply)
Salt River Concrete	\$ 108,000	concrete slab / elevated slab
Salt River Concrete	\$ 170,200	concrete foundation
<b>Sub-Total</b>	<u>\$2,501,071 (est.)</u>	
<b>NORTHERN</b>	<u>Contract Value</u>	<u>Local Content</u>
Adco North	\$ 522,842	\$157,900 electrical (new building)
Commercial Linocraft	\$ 135,880	\$ 3,950 sheet flooring, carpeting
Paragon Standard	\$ 298,975	\$ 32,234 roofing
Paragon Standard	\$ 228,402	\$ 63,767 exterior wall (excl. siding)
<b>Sub-Total</b>	<u>\$1,186,099</u>	<u>\$257,851 (est.)</u>
<b>NON-NORTHERN</b>	<u>Contract Value</u>	<u>Local Content</u>
Arc Interiors	\$ 355,875	\$233,670 interior studs, drywall, ceilings
Bay Acrylics	\$ 92,003	\$ 44,000 exterior studs, drywall
CP Distributors	\$ 20,945	hardware, metal doors / frames
Donalco Inc.	\$ 49,720	\$ 11,915 fireproofing
Scott Steel	\$ 433,047	\$ 15,200 structural steel
Trane Canada	\$ 87,200	air handling equipment (supply)
<b>Sub-Total</b>	<u>\$1,038,790</u>	<u>\$304,785 (est.)</u>
<b>TOTAL VALUE TO DATE:</b>	<b>\$4,725,960 (est)</b>	
<b>LOCAL CONTENT:</b>	<b>\$3,063,707 (est)</b>	<b>64.8%</b>

In addition, local companies and individuals have provided a number of services to Clark Builders. Payments for these services to February 15, have totaled \$177,912, as listed below:

Equipment / Service / Supplies

Amity Electric	\$ 6,970	services
Arctic College	\$ 2,054	equipment rental
Berton's Construction	\$ 4,020	equipment rental
Cascade Publishing	\$ 2,006	advertisements
C & R Construction	\$ 35,838	equipment rental
Fort Smith Auto & Industrial	\$ 1,162	misc. supplies
F/S One Call	\$ 4,769	office rental and services
Freund Building Supply	\$ 5,555	supplies
Heron's Trucking	\$ 64,733	equipment rental
Home Hardware	\$ 4,415	equipment rental, supplies
Mercury Sign & Art	\$ 1,161	supplies
Northern Store	\$ 1,736	supplies
Northwestern Air Lease	\$ 12,944	airfare and freight
Paul Kaeser's Store	\$ 1,397	supplies
Peterson Oil	\$ 5,198	fuel
Sandra Robichaud	\$ 6,600	house rental
Shell	\$ 1,720	fuel
TC Plumbing	\$ 1,073	services
Territorial Land Use	\$ 3,525	equipment rental
others	\$ 11,036	equipment, services, supplies
<b>Total</b>	<u>\$ 177,912</u>	

Employment

Wages to local residents employed directly by Clark Builders total \$55,573, to January 31.



**ATTACHMENT E**

**TENDER REPORT ON  
INTERIOR FINISHES (GLAZING ETC.)**

**Applied Arts & Library Building  
Thebacha Campus, Arctic College  
Fort Smith**

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**TENDER REPORT**

**Interior Finishes:                    Glazing / Glass Sliding Doors (supply & install)  
                                                 Architectural Woodwork (supply only)**

On January 12, the following bids were received, in Fort Smith, for the above interior tender packages. Discussions relating to other recent contract awards, which were more urgent in construction scheduling, have delayed the completion of our tender analysis. Before making award recommendations, the construction manager and design consultants want to ensure that tender prices submitted include the scope of work, as intended in the tender documents.

**Glazing / Glass Sliding Doors**

<u>Contractor</u>	<u>Base Bid</u>	<u>Local Content</u>	<u>Adjusted Tender Price (BIP)</u>
Freund Building Supplies	\$ 93,173	\$ 88,933	\$ 75,386.4
All-West Glass	\$ 123,691	\$123,691	\$ 98,952.8

Freund Building Supplies tender has been submitted in cooperation with Qualiglass Industries, of Edmonton. We have been advised that the bid submitted by Freund Building Supplies, for \$93,173, meets the requirements of the tender documents.

In recent discussions with the National Research Council, the design consultant recommends that interior glazing in certain areas be changed from clear float glass to tempered glass. Although the specific Code requirements are open to interpretation, we have concluded that this added safety factor should be incorporated into the construction. A change notice will be issued to the contractor, once a contract has been awarded.

**Architectural Woodwork**

<u>Contractor</u>	<u>Base / Alternate Bid</u>	<u>Local Content</u>	<u>Adjusted Tender Price (BIP)</u>
Freund Building Supplies	\$148,000 / \$136,000	\$148,000 / \$136,000	\$118,400 / \$108,800
Kerr's Woodwork	\$118,467	n/a	\$118,467
I.D. Millwork Ltd.	\$119,912	n/a	\$119,912
Rago Millwork & Supplies	\$128,515 / \$118,665	n/a	\$128,515 / \$118,665

The base and alternate base bids are for white maple and white birch plywood respectively. We have been advised that the bids submitted by Freund Building Supplies meet the requirements of the tender documents. For reasons of economy, we would accept the price of \$136,000, for white birch.

The Steering Committee supports the two contract awards to Freund Building Supplies, of Fort Smith, in the amounts of \$93,173 and \$136,000.

The Minister of Public Works & Services approved these contract awards, on February 24, as recommended by the Steering Committee.

**ATTACHMENT F**

**SUMMARY OF ELECTRICAL TENDER REPORT**

**TOPIC: THEBACHA PROJECT**  
**SUMMARY OF REPORT ON ELECTRICAL TENDER**

**Tender Call:**

The instructions to tenderers stated that the contract award would be based on three criteria: price, local involvement, and demonstrated ability (work force, material availability and experience). It also stated that the Agent for the Owner would not necessarily accept the lowest or any of the offers, but reserves the right to accept any tender.

**Bids Received:**

<u>Contractor</u>	<u>Bid</u>	<u>Local Content</u>	<u>Northern Content</u>	<u>Adjusted Bid for Comparison</u>
Standard Electric	468,980	32,000	436,980	397,033.0
F/S One Call	497,179	497,179	0	397,743.2
Adco North	522,842	157,900	352,142	438,440.7
Amity Electric	555,000	535,000	20,000	445,000.0

The Steering Committee evaluated the submissions based on the criteria. While the base bid and adjusted tender price received from Standard Electric was the lowest, the identified local content did not represent the balance of price to local involvement that was being sought. Standard Electric's bid was considered non-responsive.

The next lowest bid was from F/S One Call. The committee recommended that the contract be awarded to them. However, in later discussions of the required work, F/S One Call found they had misinterpreted the tender documents. They submitted a letter (attached) withdrawing their tender submission.

The Steering Committee met again to review the two remaining bids. They could not arrive at consensus. Local members favoured Amity Electric because of the high level of local content. The PW&S member favoured Adco North because of budget restrictions. That bid was \$32,158 lower. The question was submitted to the Deputy Minister of PW&S. He instructed Clark Builders to negotiate with Adco North and try to improve the local content or the price.

**Award:**

The contract was awarded to Adco North on the understanding that they would pursue discussions with local companies regarding a labour contract and material purchase.



*File 9455-1602*

*1 cc to ED  
Andrews.*

*01/12/95*

*[Signature]*

January 12, 1995

Peter Simpson  
Senior Project Manager  
Clark Builders  
(as Agents for the GNWT)  
P.O. Box 667  
Yellowknife, N.W.T.  
X1A 2N5

Dear Sir;

Ref: Electrical Tender  
Arctic College - Thebacha Campus  
Applied Arts & Library Building

Further to our conference telephone conversation this morning, please be advised that we have decided to withdraw our tender submission to GNWT Department of Public Works and Services on the above noted tender package.

We apologize that our interpretation of tender information was not consistent with your objectives.

Yours truly  
*[Signature]*  
Geoff Stock  
General Manager



# TENDER SUMMARY SHEET

## Business Incentive Adjustment



Project Title		Project No.	
Thebacha Campus - Electrical		552	
Project Location	Project Officer	Index Code	
Fort Smith	Andrews		
Region	Division	Construction Estimate	Construction Budget
		\$	\$

No.	General Contractor & Identified Sub-Contractors	N - North L - Local S - South	Tender Price	Northern Content Amount	Northern Content Adjustment	Adjusted Tender Price
1	<u>Standard Electric</u>	N				
	- Payroll	N	134,000.00	134,000.00	20,100.00	113,900.00
	- Material	N	233,000.00	233,000.00	34,950.00	198,050.00
	- Accomodations	L	32,000.00	32,000.00	6,400.00	25,600.00
	- Other	N	<u>69,980.00</u>	69,980.00	<u>10,497.00</u>	<u>59,483.00</u>
			468,980.00		71,947.00	397,033.00
2	<u>F/S One Call</u>	L				
	- Payroll	L	199,563.00	199,563.00	39,912.60	159,650.40
	- Material	L	<u>297,616.00</u>	297,616.00	<u>59,523.20</u>	<u>238,092.80</u>
			497,179.00		99,435.80	397,743.20
3	<u>Adco North</u>	N				
	= Payroll	L	104,955.00	104,955.00	20,991.00	83,964.00
		N	76,663.00	76,663.00	11,499.45	65,163.55
	- Material	L	1,500.00	1,500.00	300.00	1,200.00
		N	269,229.00	269,229.00	40,384.35	228,844.65
	- Accomodation	L	26,600.00	26,600.00	5,320.00	21,280.00
	- Other	L	24,845.00	24,845.00	4,969.00	19,876.00
		N	6,250.00	6,250.00	937.50	5,312.50
		S	<u>12,800.00</u>	0	<u>0</u>	<u>12,800.00</u>
			522,842.00		84,401.30	438,440.70

NWT 3860/0792

Prepared By



# TENDER SUMMARY SHEET

## Business Incentive Adjustment



Project Title		Project No.	
Thebacha Campus - Electrical		552	
Project Location	Project Officer	Index Code	
Fort Smith	Andrews		
Region	Division	Construction Estimate	Construction Budget
		\$	\$

No.	General Contractor & Identified Sub-Contractors	N - North L - Local S - South	Tender Price	Northern Content Amount	Northern Content Adjustment	Adjusted Tender Price
4	<u>Amity Electric</u>	L				
	- Payroll	L	208,000.00	208,000.00	41,600.00	166,400.00
	- Accomodation	L	13,000.00	13,000.00	2,600.00	10,400.00
	- Other	L	20,000.00	20,000.00	4,000.00	16,000.00
	<u>Trans Arctic Electric</u>	N				
	- Payroll	N	20,000.00	20,000.00	3,000.00	17,000.00
	<u>S.R. Enterprises</u>	L				
	- Material	L	<u>294,000.00</u>	294,000.00	<u>58,800.00</u>	<u>235,200.00</u>
			<u>555,000.00</u>		<u>110,000.00</u>	<u>445,000.00</u>

Prepared By

**ATTACHMENT G**

**SUMMARY OF INTERIOR FINISHES TENDER REPORT**



**TOPIC: THEBACHA PROJECT  
SUMMARY OF TENDER REPORT ON INTERIOR FINISHES**

**Tender Call:**

Separate tender calls were issued for the interior metal stud system, drywall and acoustic ceiling. On further consideration of site coordination issues, Clark Builders recommended that the 3 items be carried out by one contractor. Bidders were then asked to provide a combined price.

**Bids Received:**

<u>Contractor</u>	<u>Bid</u>	<u>Local Content</u>	<u>Northern Content</u>	<u>Adjusted Bid for Comparison</u>
Arc Interiors	355,875	233,670	33,165	355,875.0
Rainbow Holdings	361,743	59,000	302,743	304,531.5
Salt River Concrete	385,119	350,619	0	314,995.2
Bay Acrylics	379,061	191,390	27,400	379,061.0
Blinks Painting	535,676	535,676	0	428,540.8

The lowest base bid (before BIP) was from Arc Interiors of Edmonton. Their bid included a large amount of local content -- all supplies purchased in Fort Smith and all labour (except for two staff) hired from Fort Smith.

After application of BIP, the lowest bid was from Rainbow Holdings of Yellowknife. However, their bid did not include substantial local content. In addition, they did not provide bid security. For these two reasons, their bid was considered non-responsive.

The Steering Committee decided that Salt River Concrete did not have the required "demonstrated ability" and therefore that bid was also considered non-responsive.

Therefore, the lowest acceptable bid for the combined scope of work was from Arc Interiors. The Steering Committee expressed concern that by expanding the scope of work, local contractors who could bid on portions of the work were being excluded. The committee recommended that Clark Builders ask Arc Interiors to contact several local companies with appropriate skills in order to increase local business involvement.

Arc Interiors are negotiating with the following local companies for participation in the project: 913038 NWT Ltd (Ray Shiels), Blink's Painting, Mike's Carpentry, and MCL Ent. Work started the week of 13 February.

**Bonding** -- In August 1994, the Minister approved for this project a waiver of contract security conditions for local contractors unable to meet contract security requirements. Rainbow Holdings is not a local Fort Smith contractor. They did request an exemption in writing, but this was denied, because of the value of the contract. The cost of bonding for Arc Interiors was \$3,320.

**Award:**

The project Steering Committee discussed the matter on January 31. By consensus, the committee recommended the contract be awarded to Arc Interiors. The award was made on February 1, 1995.



# TENDER SUMMARY SHEET

## Business Incentive Adjustment



Project Title		Project No.	
Thebacha Campus - Interior Finishes		552	
Project Location	Project Officer	Index Code	
Fort Smith	Andrews		
Region	Division	Construction Estimate	Construction Budget
		\$	\$

No.	General Contractor & Identified Sub-Contractors	N - North L - Local S - South	Tender Price	Northern Content Amount	Northern Content Adjustment	Adjusted Tender Price
1	<u>Arc Interiors</u>	S				
	- Payroll	L	75,000.00	75,000.00	0	75,000.00
		N	15,000.00	15,000.00	0	15,000.00
		S	55,797.00	0	0	55,797.00
	- Material	L	127,170.00	127,170.00	0	127,170.00
	- Accomodations	L	25,000.00	25,000.00	0	25,000.00
	- Other	L	6,500.00	6,500.00	0	6,500.00
		N	18,165.00	18,165.00	0	18,165.00
		S	<u>33,243.00</u>	0	0	<u>33,243.00</u>
			355,875.00			355,875.00
2	<u>Rainbow Holdings</u>	N				
	- Payroll	L	39,000.00	39,000.00	7,800.00	31,200.00
		N	121,111.50	121,111.50	18,166.75	102,944.75
	- Material	N	145,948.00	145,948.00	21,892.20	124,055.80
	- Accomodations	N	7,000.00	7,000.00	1,050.00	5,950.00
		L	20,000.00	20,000.00	4,000.00	16,000.00
	- Other	N	<u>28,683.50</u>	28,683.50	<u>4,302.55</u>	<u>24,380.95</u>
			361,743.00		57,211.50	304,531.50

Prepared By



# TENDER SUMMARY SHEET

## Business Incentive Adjustment



Project Title: Thebacha Campus - Interior Finishes Project No.: 552

Project Location: Fort Smith Project Officer: Andrews Index Code: \_\_\_\_\_

Region: Fort Smith Division: \_\_\_\_\_ Construction Estimate: \$ \_\_\_\_\_ Construction Budget: \$ \_\_\_\_\_

No.	General Contractor & Identified Sub-Contractors	N - North L - Local S - South	Tender Price	Northern Content Amount	Northern Content Adjustment	Adjusted Tender Price
3	<u>Salt River Concrete</u>	L				
	- Payroll	L	113,076.00	113,076.00	22,615.20	90,460.80
		S	32,500.00	0	0	32,500.00
	- Material	L	150,921.00	150,921.00	30,184.20	120,736.80
	- Accomodations	L	19,420.00	19,420.00	3,884.00	15,536.00
	- Other	L	67,202.00	67,202.00	13,440.40	53,761.60
		S	<u>2,000.00</u>	0	0	<u>2,000.00</u>
			385,119.00		70,123.80	314,995.20

Prepared By:

**APPLIED ARTS AND LIBRARY BUILDING,  
THEBACHA CAMPUS, ARCTIC COLLEGE, FORT SMITH, N.W.T.**

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**3. AMENDMENTS TO TENDERS (Cont'd)**

- .1 (a) it is received on or before the exact time and date fixed, for the reception of Tenders;
- (b) it is addressed to CLARK BUILDERS as Agent for the Owner.
- (c) it contains the time and date of transmission, Project Name, Closing Date, Name and Address of Tenderer.

**4. SECURITY REQUIREMENTS**

.1 **Bid Security:**

Bidders shall provide with their Bid, Security in the form of either;

- .1 a Bid Bond in the amount of 10% of the Bid Price or;
- .2 a Security Deposit in the amount of 5% of the Bid Price.

The Bid Security may, at the discretion of the agent for the owner, be forfeited if the Bidder fails to enter into a Contract when called upon to do so.

.2 **Contract Security:**

The Contractor shall furnish within 14 days of the date of notification of acceptance of his Bid;

- .1 a Performance Bond in the amount of 50% of the contract Price, OR a Security Deposit in the amount of 5% of the Contract Price, and
- .2 a Labour and Material Bond in the amount of 50% of the Contract Price, OR an additional Security Deposit in the amount of 5% of the Contract Price.

.3 **Exemption**

If the security requirements cannot be met an exemption for security requirements must be requested in writing to the Agent for the Owner prior to the tender closing date/time.

.4 **Separate Price**

See separate costs shown on Page 3 of Tender Form for cost breakdown.

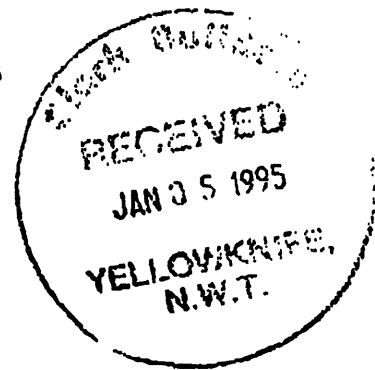
**5. ACCEPTANCE OF OFFER**

- .1 The Agent for the Owner will not necessarily accept the lowest or any of the offers but reserves the right to accept any tender.

1:30 pm.

**RAINBOW HOLDINGS LTD.**  
BOX 838  
YELLOWKNIFE, N.W.T. X1A 2N6  
Ph: (403) 873-8830  
Fax: (403) 873-8831

JANUARY 5 1995



Government of the Northwest Territories  
Department of Public Works & Services  
Contract Clerk  
Jack Taylor Building  
Box 390  
Fort Smith, NWT  
XOE OPO

To: Clark Builders  
Agent for Thebacha Campus.

This note is to request an exemption in regard to security requirements. We do not have access to Bonding at the present time.

Please consider this as our official request for exemption, as stipulated in page 2 of instruction to tenderers 4. Security Requirements item .3

Thank You,

Yours Truly,

Bernard Leblanc

A handwritten signature in black ink, appearing to read "Bernard Leblanc", written over the typed name.

Rainbow Holdings Ltd



**CLARK BUILDERS**

A member of the Clark Builders Group

FACSIMILE TRANSMISSION SHEET

TO: GNWT  
ATTENTION: ED ANDREWS  
FAX NUMBER: 873-0257  
PROJECT: THEBACHA  
PROJECT NUMBER: 9455

DATE: JUN 5/95  
PAGES + LEAD: 1+1  
FILE NUMBER: GC-1

REPLY REQ'D BY: Today  One Week   
Two Days  For Info Only

SENT BY: P.J. (Pete) Simpson  
Project Manager

ED,

DO YOU WISH TO GRANT EXEMPTION  
TO RAINBOW - See attached,

My Recommendation would be NO except  
L & D Maintenance & Silvrado are not  
bidding & Rainbow might be the only  
painting contractor in the

Maybe we should say

NO - Drywall Exemption

YES - Painting Exemption

Pls.

Advice



# CLARK BUILDERS

A member of the Clark Builders Group

## FACSIMILE TRANSMISSION SHEET

TO: RAINBOW HOLDINGS.  
 ATTENTION: BERNARD  
 FAX NUMBER: 873.9931  
 PROJECT: THEBACHA CAMPUS  
 PROJECT NUMBER: 9455.

DATE: JAN 10/95.  
 PAGES + LEAD: 1  
 FILE NUMBER: GC-1

SENT BY: P.J. (Pete) Simpson  
 Project Manager

REPLY REQ'D BY: Today  One Week   
 Two Days  For Info Only

FURTHER TO YOUR FAX OF JAN 3/95 REQUESTING  
 CONTRACT SECURITY EXEMPTION BE ADVISED  
 OF THE FOLLOWING.

PAINTING - Bid Bond is waived.  
 - Performance / Labor Bond is  
 waived but a holdback in  
 the amount of 10% will be  
 withheld from each payment -  
 to be released after substantial  
 completion ie 20 days from  
 date of application for release of  
 holdback & acceptance of  
 same.

Drywall - You are not granted a  
 bonding exemption on this

Acoustical Ceilings - same as drywall.

Suspended Drywall Ceilings - same as drywall.

Regards,

cc to ED ANDREWS - GSWT

**ATTACHMENT H**  
**BUDGET INFORMATION**



**TOPIC: THEBACHA PROJECT  
BUDGET INFORMATION**

On January 25, PW&S reported to Education, Culture and Employment the following projected costs to the completion of the project:

	93/94	94/95	95/96	96/97	Total
<u>Management</u>					
1. Consultants					
fees	191	396	39	5	631
expenses	15	45	35	6	101
additional services	10	80	25	0	115
2. PW&S	19	25	15	5	64
Sub-Total	235	546	114	16	911
<u>Construction</u>					
1. Contracts	0	4,571	2,910	0	7,481
2. Contingency	0	120	80	0	200
Sub-Total	0	4,691	2,990	0	7,681
<u>Projected Total</u>	235	5,237	3,104	16	8,592
<u>Capital Plan</u>	235	4,385	3,793	16	8,429
<u>Variance</u>	0	(852)	689	0	(163)

This is an improvement from the last report (October 1994) when the projected variance was (379).

At the February 16, 1995, FMB meeting, the above capital adjustment was approved.

