ONTARIO PROVINCIAL STANDARDS

FOR

ROADS AND PUBLIC WORKS

GENERAL CONDITIONS OF CONTRACT

SEPTEMBER 1999
GENERAL CONDITIONS OF CONTRACT

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GENERAL CONDITIONS OF CONTRACT

SECTION GC 1.0 - INTERPRETATION

GC 1.01 Captions
.01 The captions appearing in these General Conditions have been inserted as a matter of convenience and for ease of reference only and in no way define, limit or enlarge the scope or meaning of the General Conditions or any provision hereof.

GC 1.02 Abbreviations
.01 The abbreviations on the left below are commonly found in the Contract Documents and represent the organizations and phrases listed on the right:

"AASHTO" - American Association of State Highway Transportation Officials
"ANSI" - American National Standards Institute
"ASTM" - American Society for Testing and Materials
"AWG" - American Wire Gauge
"AWWA" - American Water Works Association
"CESA" - Canadian Engineering Standards Association
"CGSB" - Canadian General Standards Board
"CSA" - Canadian Standards Association
"CWB" - Canadian Welding Bureau
"GC" - General Conditions
"MOE" - Ministry of the Environment (Ontario)
"MTC" - Ministry of Transportation (Ontario)
"MTO" - Ministry of Transportation (Ontario)
"OPS" - Ontario Provincial Standard
"OPSD" - Ontario Provincial Standard Drawing
"OPSS" - Ontario Provincial Standard Specification
"PEO" - Professional Engineers Ontario
"SAE" - Society of Automotive Engineers
"SSPC" - Structural Steel Painting Council
"UL" - Underwriters Laboratories
"ULC" - Underwriters Laboratories Canada

GC 1.03 Gender and Singular References
.01 References to the masculine or singular throughout the Contract Documents shall be considered to include the feminine and the plural and vice versa as the context requires.

GC 1.04 Definitions
.01 For the purposes of this Contract the following definitions apply:

Actual Measurement: means the field measurement of that quantity within the approved limits of the Work.
Additional Work: means work not provided for in the Contract and not considered by the Contract Administrator to be essential to the satisfactory completion of the Contract within its intended scope.

Base: means a layer of material of specified type and thickness placed immediately below the pavement, driving surface, finished grade, curb and gutter, or sidewalk.

Certificate of Subcontract Completion: means the certificate issued by the Contract Administrator in accordance with clause GC 8.02.03.02, Certification of Subcontract Completion.

Certificate of Substantial Performance: means the certificate issued by the Contract Administrator at Substantial Performance.

Change Directive: means any written instruction signed by the Owner, or by the Contract Administrator where so authorized, directing that a Change in the Work or Extra Work be performed.

Change in the Work: means the deletion, extension, increase, decrease or alteration of lines, grades, dimensions, quantities, methods, drawings, substantial changes in geotechnical, subsurface, surface or other conditions, changes in the character of the Work to be done or materials of the Work or part thereof, within the intended scope of the Contract.

Change Order: means a written amendment to the Contract signed by the Contractor and the Owner, or the Contract Administrator where so authorized, covering contingencies, a Change in the Work, Extra Work, Additional Work and changed subsurface conditions, and establishing the basis for payment and the time allowed for the adjustment of the Contract Time.

Completion Certificate: means the certificate issued by the Contract Administrator at completion.

Constructor: means, for the purposes of, and within the meaning of the Occupational Health and Safety Act, R.S.O. 1990, c.O.1, as amended and amendments thereto, the Contractor who executes the Contract.

Contract: means the undertaking by the Owner and the Contractor to perform their respective duties, responsibilities and obligations as prescribed in the Contract Documents.

Contract Administrator: means the person, partnership or corporation designated by the Owner to be the Owner's representative for the purposes of the Contract.

Contract Documents: mean the executed Agreement between the Owner and the Contractor, the Tender, the General Conditions of Contract, the Supplemental General Conditions of Contract, Standard Specifications, Special Provisions, Contract Drawings, addenda incorporated in a Contract Document before the execution of the Agreement, such other documents as may be listed in the Agreement and subsequent amendments to the Contract Documents made pursuant to the provisions of the Agreement.

Contract Drawings: or Contract Plans: mean drawings or plans, any Geotechnical Report, any Subsurface Report and other reports and information provided by the Owner for the Work, and without limiting the generality thereof, may include soil profiles, foundation investigation reports, reinforcing steel schedules, aggregate sources lists, Quantity Sheets, cross-sections and standard drawings.

Contract Time: means the time stipulated in the Contract Documents for Substantial Performance of the Work, including any extension of Contract Time made pursuant to the Contract Documents.

Contractor: means the person, partnership or corporation undertaking the Work as identified in the Agreement.

Controlling Operation: means any component of the Work, which, if delayed, will delay the completion of the Work.
**Cost Plus:** See "Time and Material".

**Cut-Off Date:** means the date up to which payment will be made for work performed.

**Daily Work Records:** mean daily Records detailing the number and categories of workers and hours worked or on standby; types and quantities of Equipment and number of hours in use or on standby; and description and quantities of Material utilized.

**Day:** means a calendar day.

**Drawings:** or **Plans:** mean any Contract Drawings or Contract Plans or any Working Drawings or Working Plans, or any reproductions of drawings or plans pertaining to the Work.

**Equipment:** means all machinery and equipment used for preparing, fabricating, conveying or erecting the Work and normally referred to as construction machinery and equipment.

**Estimate:** means a calculation of the quantity or cost of the Work or part of it depending on the context.

**Extra Work:** means work not provided for in the Contract as awarded but considered by the Contract Administrator to be essential to the satisfactory completion of the Contract within its intended scope, including unanticipated work required to comply with legislation and regulations which affect the Work.

**Final Acceptance Certificate:** means the certificate issued by the Contract Administrator at Final Acceptance of the Work.

**Final Detailed Statement:** means a complete evaluation prepared by the Contract Administrator showing the quantities, unit prices and final dollar amounts of all items of work completed under the Contract, including variations in tender items and Extra Work, all as set out in the same general form as the monthly estimates.

**Force Account:** See "Time and Material".

**Geotechnical Report:** means a report or other information identifying soil, rock and ground water conditions in the area of any proposed excavation or fill.

**Grade:** means the required elevation of that part of the work.

**Hand Tools:** means tools that are commonly called tools or implements of the trade and include small power tools.

**Highway:** means a common and public highway any part of which is intended for or used by the general public for the passage of vehicles and includes the area between the lateral property lines thereof.

**Lump Sum Item:** means a tender item indicating a portion of the Work for which payment will be made at a single tendered price. Payment is not based on a measured quantity, although a quantity may be given in the Contract Documents.

**Major Item:** means any tender item that has a value, calculated on the basis of its actual or estimated tender quantity, whichever is the larger, multiplied by its tender unit price, which is equal or greater than the lesser of,

a) $100,000, or

b) 5% of the total tender value calculated on the basis of the total of all the estimated tender quantities and the tender unit prices.

**Material:** means material, machinery, equipment and fixtures forming part of the Work.
Owner: means the party to the Contract for whom the Work is being performed, as identified in the Agreement, and includes, with the same meaning and import, “Authority”.

Pavement: means a wearing course or courses placed on the Roadway and consisting of asphaltic concrete, hydraulic cement concrete - Portland cement concrete, or plant or road mixed mulch.

Performance Bond: means the type of security furnished to the Owner to guarantee completion of the Work in accordance with the Contract and to the extent provided in the bond.

Plan Quantity: means that quantity as computed from within the boundary lines of the Work as shown in the Contract Documents.

Project: means the construction of the Work as contemplated by this Contract.

Quantity Sheet: means a list of the quantities of Work to be done.

Rate of Interest: means the rate determined by the Minister of Finance of Ontario and issued by, and available from, the Owner.

Records: mean any books, payrolls, accounts or other information which relate to the Work or any Change in the Work or claims arising therefrom.

Roadway: means that part of the Highway designed or intended for use by vehicular traffic and includes the Shoulders.

Shoulder: means that portion of the Roadway between the edge of the wearing surface and the top inside edge of the ditch or fill slope.

Special Provisions: mean special directions containing requirements peculiar to the Work.


Subbase: means a layer of material of specified type and thickness between the Subgrade and the Base.

Subcontractor: means a person, partnership or corporation undertaking the execution of a part of the Work by virtue of an agreement with the Contractor.

Subgrade: means the earth or rock surface, whether in cut or fill, as prepared to support the Base, Subbase and Pavement.

Subsurface Report: means a report or other information identifying the location of utilities, concealed and adjacent structures and physical obstructions which fall within the influence of the Work.

Superintendent: means the Contractor's authorized representative in responsible charge of the Work.

Surety: means the person, partnership or corporation, other than the Contractor, licensed in Ontario to transact business under the Insurance Act, R.S.O. 1990, c.I.8, as amended, executing a bond provided by the Contractor.

Tender: means an offer in writing from the Contractor, submitted in the format prescribed by the Owner, to complete the Work.

Time and Material: means costs calculated according to clause GC 8.02.04, Payment on a Time and Material Basis. Where “Cost Plus” and “Force Account” are used they shall have the same meaning.
**Utility:** means an aboveground or underground facility maintained by a municipality, public utility authority or regulated authority and includes services such as sanitary sewer, storm sewer, water, electric, gas, oil, steam, data transmission, telephone and cable television.

**Warranty Period:** means the period of 12 months from the date of Substantial Performance or such longer period as may be specified for certain Materials or some or all of the Work. Where a date of Substantial Performance is not established, the Warranty Period shall commence on the date of Completion.

**Work:** means the total construction and related services required by the Contract Documents.

**Working Area:** means all the lands and easements owned or acquired by the Owner for the construction of the Work.

**Working Day:** means any Day,
\[\text{a) except Saturdays, Sundays and statutory holidays;}\]
\[\text{b) except a Day as determined by the Contract Administrator, on which the Contractor is prevented by}\]
\[\text{inclement weather or conditions resulting immediately therefrom, from proceeding with a Controlling}\]
\[\text{Operation. For the purposes of this definition, this will be a Day during which the Contractor cannot}\]
\[\text{proceed with at least 60% of the normal labour and equipment force effectively engaged on the}\]
\[\text{Controlling Operation for at least 5 hours;}\]
\[\text{c) except a Day on which the Contractor is prevented from proceeding with a Controlling Operation, as}\]
\[\text{determined by the Contract Administrator by reason of,}\]
\[\text{i. any breach of the Contract by the Owner or if such prevention is due to the Owner, another}\]
\[\text{contractor hired by the Owner, or an employee of any one of them, or by anyone else acting on}\]
\[\text{behalf of the Owner.}\]
\[\text{ii. on-delivery of Owner-supplied materials,}\]
\[\text{iii. any cause beyond the reasonable control of the Contractor which can be substantiated by the}\]
\[\text{Contractor to the satisfaction of the Contract Administrator.}\]

**Working Drawings:** or **Working Plans:** means any Drawings or Plans prepared by the Contractor for the execution of the Work and may, without limiting the generality thereof, include falsework plans, Roadway protection plans, shop drawings, shop plans or erection diagrams.

**GC 1.05 Substantial Performance**

.01 The Work is substantially performed,
\[\text{a) when the Work to be performed under the Contract or a substantial part thereof is ready for use or}\]
\[\text{is being used for the purpose intended; and}\]
\[\text{b) when the Work to be performed under the Contract is capable of completion or, where there is a}\]
\[\text{known defect, the cost of correction, is not more than}\]
\[\text{i. 3% of the first $500,000 of the Contract price,}\]
\[\text{ii. 2% of the next $500,000 of the Contract price, and}\]
\[\text{iii. 1% of the balance of the Contract price.}\]

.02 For the purposes of this Contract, where the Work or a substantial part thereof is ready for use or is being used for the purposes intended and the remainder of the Work cannot be completed expeditiously for reasons beyond the control of the Contractor or, where the Owner and the Contractor agree not to complete the Work expeditiously, the price of the services or materials remaining to be supplied and required to complete the Work shall be deducted from the Contract price in determining Substantial Performance.
GC 1.06 Completion

.01 The Work shall be deemed to be completed and services or Materials shall be deemed to be last supplied to the Work when the price of completion, correction of a known defect or last supply is not more than the lesser of,
   a) 1% of the Contract price; or
   b) $1,000.

GC 1.07 Final Acceptance

.01 Final Acceptance shall be deemed to occur when the Contract Administrator is satisfied that, to the best of the Contract Administrator's knowledge at that time, the Contractor has rectified all imperfect work and has discharged all of the Contractor's obligations under the Contract.

GC 1.08 Interpretation of Certain Words

.01 The words "acceptable", "approval", "authorized", "considered necessary", "directed", "required", "satisfactory", or words of like import, shall mean approval of, directed, required, considered necessary or authorized by and acceptable or satisfactory to the Contract Administrator unless the context clearly indicates otherwise.
SECTION GC 2.0 - CONTRACT DOCUMENTS

GC 2.01 Reliance on Contract Documents

.01 The Owner warrants that the information furnished in the Contract Documents can be relied upon with the following limitations or exceptions:
   a) The location of all mainline underground utilities which will affect the Work will be shown to a tolerance of:
      i. 1 m horizontal and
      ii. 0.3 m vertical
   b) The Owner does not warrant interpretations of data or opinions expressed in any Subsurface Report available for the perusal of the Contractor and excluded from the Contract Documents; and
   c) Other information specifically excluded from this warranty.

GC 2.02 Order of Precedence

.01 In the event of any inconsistency or conflict in the contents of the following documents, such documents shall take precedence and govern in the following order:
   a) Agreement
   b) Addenda
   c) Special Provisions
   d) Contract Drawings
   e) Standard Specifications
   f) Tender
   g) Supplemental General Conditions
   h) General Conditions
   i) Working Drawings
   Later dates shall govern within each of the above categories of documents.

.02 In the event of any conflict among or inconsistency in the information shown on Drawings, the following rules shall apply:
   a) Dimensions shown in figures on a Drawing shall govern where they differ from dimensions scaled from the same drawing;
   b) Drawings of larger scale shall govern over those of smaller scale;
   c) Detailed Drawings shall govern over general Drawings; and
   d) Drawings of a later date shall govern over those of an earlier date in the same series.

.03 In the event of any conflict in the contents of Standard Specifications the following order of precedence shall govern:
   a) Ontario Provincial Standard Specifications; then
   b) Other Standard Specifications, such as those produced by CSA, CGSB, ASTM and ANSI, and referenced in the Ontario Provincial Standard Specifications.

.04 The Contract Documents are complementary, and what is required by any one shall be as binding as if required by all.
SECTION GC 3.0 - ADMINISTRATION OF THE CONTRACT

GC 3.01 Contract Administrator's Authority

.01 The Contract Administrator will be the Owner's representative during construction and until the issuance of the Completion Certificate or the issuance of the Final Acceptance Certificate whichever is later. All instructions to the Contractor including instructions from the Owner will be issued by the Contract Administrator. The Contract Administrator will have the authority to act on behalf of the Owner only to the extent provided in the Contract Documents.

.02 All claims, disputes and other matters in question relating to the performance and the quality of the Work or the interpretation of the Contract Documents shall be referred to the Contract Administrator.

.03 The Contract Administrator will inspect the Work for its conformity with the plans and specifications, and to record the necessary data to establish payment quantities under the schedule of tender quantities and unit prices or to make an assessment of the value of the work completed in the case of a lump sum price contract.

.04 The Contract Administrator will determine the amounts owing to the Contractor under the Contract and will issue certificates for payment in such amounts as provided for in Section GC 8.0, Measurement and Payment.

.05 The Contract Administrator will with reasonable promptness review and take appropriate action upon the Contractor's submissions such as shop drawings, product data, and samples in accordance with the Contract Documents.

.06 The Contract Administrator will investigate all allegations of a change in the character of the Work made by the Contractor and issue appropriate instructions.

.07 The Contract Administrator will prepare Change Directives and Change Orders.

.08 Upon written application by the Contractor, the Contract Administrator and the Contractor will jointly conduct an inspection of the Work to establish the date of Substantial Performance of the Work and/or the date of Completion of the Work.

.09 The Contract Administrator will be, in the first instance, the interpreter of the Contract Documents and the judge of the performance thereunder by both parties to the Contract. Interpretations and decisions of the Contract Administrator shall be consistent with the intent of the Contract Documents and in making these decisions the Contract Administrator will not show partiality to either party.

.10 The Contract Administrator will have the authority to reject part of the Work or Material which does not conform to the Contract Documents.

.11 Defective work, whether the result of poor workmanship, use of defective material, or damage through carelessness or other act or omission of the Contractor and whether incorporated in the Work or not, which has been rejected by the Contract Administrator as failing to conform to the Contract Documents shall be removed promptly from the Work by the Contractor and replaced or re-executed promptly in accordance with the Contract Documents at no additional cost to the Owner.

.12 Any part of the Work destroyed or damaged by such removals, replacements or re-executions shall be made good, promptly, at no additional cost to the Owner.

.13 If, in the opinion of the Contract Administrator, it is not expedient to correct defective work or work not performed in accordance with the Contract Documents, the Owner may deduct from monies otherwise due to the Contractor the difference in value between the work as performed and that called for by the Contract Administrator.
.14 Notwithstanding any inspections made by the Contract Administrator or the issuance of any certificates or the making of any payment by the Owner, the failure of the Contract Administrator to reject any defective work or Material shall not constitute acceptance of defective work or Material.

.15 The Contract Administrator will have the authority to temporarily suspend the Work for such reasonable time as may be necessary to facilitate the checking of any portion of the Contractor's construction layout or the inspection of any portion of the Work. There shall not be any extra compensation for the suspension of work.

**GC 3.02 Working Drawings**

.01 The Contractor shall arrange for the preparation of clearly identified and dated Working Drawings as called for by the Contract Documents.

.02 The Contractor shall submit Working Drawings to the Contract Administrator with reasonable promptness and in orderly sequence so as to not cause delay in the Work. If either the Contractor or the Contract Administrator so requests they shall jointly prepare a schedule fixing the dates for submission and return of Working Drawings. Working Drawings shall be submitted in printed form. At the time of submission the Contractor shall notify the Contract Administrator in writing of any deviations from the Contract requirements that exist in the Working Drawings.

.03 The Contract Administrator will review and return Working Drawings in accordance with an agreed upon schedule, or otherwise, with reasonable promptness so as not to cause delay.

.04 The Contract Administrator's review will be to check for conformity to the design concept and for general arrangement only and such review shall not relieve the Contractor of responsibility for errors or omissions in the Working Drawings or of responsibility for meeting all requirements of the Contract Documents unless a deviation on the Working Drawings has been approved in writing by the Contract Administrator.

.05 The Contractor shall make any changes in Working Drawings which the Contract Administrator may require consistent with the Contract Documents and resubmit unless otherwise directed by the Contract Administrator. When resubmitting, the Contractor shall notify the Contract Administrator in writing of any revisions other than those requested by the Contract Administrator.

.06 Work related to the Working Drawings shall not proceed until the Working Drawings have been signed and dated by the Contract Administrator and marked with the words "Reviewed. Permission to construct granted."

.07 The Contractor shall keep one set of the reviewed Working Drawings, marked as above, at the site at all times.

**GC 3.03 Right of the Contract Administrator to Modify Methods and Equipment**

.01 The Contractor shall, when requested in writing, make alterations in the method, Equipment or work force at any time the Contract Administrator considers the Contractor's actions to be unsafe, or damaging to either the Work or existing facilities or the environment.

.02 The Contractor shall, when requested in writing, alter the sequence of its operations on the Contract so as to avoid interference with work being performed by others.

.03 Notwithstanding the foregoing, the Contractor shall ensure that all necessary safety precautions and protection are maintained throughout the Work.
GC 3.04 Emergency Situations

.01 The Contract Administrator has the right to determine the existence of an emergency situation, and when such an emergency situation is deemed to exist, the Contract Administrator may instruct the Contractor to take action to remedy the situation. If the Contractor does not take timely action, or if the Contractor is not available, the Contract Administrator may direct others to remedy the situation.

.02 If the emergency situation was the fault of the Contractor, the remedial work shall be done at the Contractor’s expense. If the emergency situation was not the fault of the Contractor, the Owner will pay for the remedial work.

GC 3.05 Layout

.01 The Contract Administrator will provide baseline and benchmark information for the general location, alignment and elevation of the Work. The Owner will be responsible only for the correctness of the information provided by the Contract Administrator.

GC 3.06 Working Area

.01 The Contractor's sheds, site offices, toilets, other temporary structures and storage areas for material and equipment shall be grouped in a compact manner and maintained in a neat and orderly condition at all times.

.02 The Contractor shall confine his construction operations to the Working Area. Should the Contractor require more space than that shown on the Contract Drawings, the Contractor shall obtain such space at no additional cost to the Owner.

.03 The Contractor shall not enter upon or occupy any private property for any purpose, unless the Contractor has received prior written permission from the property owner.

GC 3.07 Extension of Contract Time

.01 An application for an extension of Contract Time shall be made in writing by the Contractor to the Contract Administrator as soon as the need for such extension becomes evident and at least 15 Days prior to the expiration of the Contract Time. The application for an extension of Contract Time shall enumerate the reasons, and state the length of extension required.

.02 Circumstances suitable for consideration of an extension of Contract Time include the following:
   a) Delays; See subsection GC 3.08.
   b) Changes in the Work; See clause GC 3.11.01.
   c) Extra Work; See clause GC 3.11.02.
   d) Additional Work; See clause GC 3.11.03.

.03 The Contract Administrator will, in considering an application for an extension to the Contract Time, take into account whether the delays, Changes in the Work, Extra Work or Additional Work involve a Controlling Operation.

.04 The Contract Time shall be extended for such additional time as may be recommended by the Contract Administrator and deemed fair and reasonable by the Owner.

.05 The terms and conditions of the Contract shall continue for such extension of Contract Time.
GC 3.08 Delays

.01 If the Contractor is delayed in the performance of the Work by,
   a) war, blockades, and civil commotions, errors in the Contract Documents; an act or omission of the
      Owner or Contract Administrator, or anyone employed or engaged by them directly or indirectly,
      contrary to the provisions of the Contract Documents;
   b) a stop work order issued by a court or public authority, provided that such order was not issued as
      the result of an act or omission of the Contractor or anyone employed or engaged by the
      Contractor directly or indirectly;
   c) the Contract Administrator giving notice under subsection GC 7.09, Suspension of Work;
   d) abnormal inclement weather; or
   e) archaeological finds in accordance with subsection GC 3.16, Archaeological Finds,
      then the Contractor shall be reimbursed by the Owner for reasonable costs incurred by the Contractor
      as the result of such delay, provided that in the case of an application for an extension of Contract
      Time due to abnormal inclement weather, the Contractor shall, with the Contractor's application,
      submit evidence from Environment Canada in support of such application. Extension of Contract
      Time will be granted in accordance with subsection GC 3.07, Extension of Contract Time.

.02 If the Work is delayed by labour disputes, strikes or lock-outs - including lock-outs decreed or
   recommended to its members by a recognized contractor's association, of which the Contractor is a
   member or to which the Contractor is otherwise bound - which are beyond the Contractor's control,
   then the Contract Time shall be extended in accordance with subsection GC 3.07, Extension of
   Contract Time. In no case shall the extension of Contract Time be less than the time lost as the
   result of the event causing the delay, unless a shorter extension is agreed to by the Contractor. The
   Contractor shall not be entitled to payment for costs incurred as the result of such delays unless such
   delays are the result of actions by the Owner.

GC 3.09 Assignment of Contract

.01 The Contractor shall not assign the Contract, either in whole or in part, without the written consent of
   the Owner.

GC 3.10 Subcontracting by the Contractor

.01 The Contractor may subcontract any part of the Work, subject to these General Conditions and any
   limitations specified in the Contract Documents.

.02 The Contractor shall notify the Contract Administrator, in writing, of the intention to subcontract. Such
   notification shall identify the part of the Work, and the Subcontractor with whom it is intended.

.03 The Contract Administrator will, within 10 Days of receipt of such notification, accept or reject the
   intended Subcontractor. The rejection will be in writing and will include the reasons for the rejection.

.04 The Contractor shall not, without the written consent of the Owner, change a Subcontractor who has
   been engaged in accordance with subsection GC 3.10 Subcontracting by the Contractor.

.05 The Contractor shall preserve and protect the rights of the parties under the Contract with respect to
   that part of the Work to be performed under subcontract and shall,
   a) enter into agreements with the intended Subcontractors to require them to perform their work in
      accordance with the Contract Documents; and
   b) be as fully responsible to the Owner for acts and omissions of the Contractor's Subcontractors and
      of persons directly or indirectly employed by them as for acts and omissions of persons directly
      employed by the Contractor.
06 The Owner's consent to subcontracting by the Contractor shall not be construed to relieve the Contractor from any obligation under the Contract and shall not impose any liability upon the Owner. Nothing contained in the Contract Documents shall create a contractual relationship between a Subcontractor and the Owner.

GC 3.11 Changes

GC 3.11.01 Changes in the Work

01 The Owner, or the Contract Administrator where so authorized, may, by order in writing, make a Change in the Work without invalidating the Contract. The Contractor shall not be required to proceed with a Change in the Work until in receipt of a Change Directive. Upon the receipt of such Change Directive the Contractor shall proceed with the Change in the Work.

02 The Contractor may apply for an extension of Contract Time according to the terms of subsection GC 3.07, Extension of Contract Time.

03 If the Changes in the Work relate solely to quantities, payment for that part of the Work will be made according to the conditions specified in clause GC 8.01.02, Variations in Tender Quantities. If the Changes in the Work do not solely relate to quantities, payment may be negotiated pursuant to subsection GC 3.14, Claims, Negotiations, Mediation or payment may be made according to the conditions contained in clause GC 8.02.04, Payment on a Time and Material Basis.

GC 3.11.02 Extra Work

01 The Owner, or Contract Administrator where so authorized, may instruct the Contractor to perform Extra Work without invalidating the Contract. The Contractor shall not be required to proceed with the Extra Work until in receipt of a Change Directive. Upon receipt of such Change Directive the Contractor shall proceed with the Extra Work.

02 The Contractor may apply for an extension of Contract Time according to the terms of subsection GC 3.07, Extension of Contract Time.

03 Payment for the Extra Work may be negotiated pursuant to subsection GC 3.14, Claims, Negotiations, Mediation, or payment may be made according to the conditions contained in clause GC 8.02.04, Payment on a Time and Material Basis.

GC 3.11.03 Additional Work

01 The Owner, or Contract Administrator where so authorized, may request the Contractor to perform Additional Work without invalidating the Contract. If the Contractor agrees to perform Additional Work, the Contractor shall proceed with such Additional Work upon receipt of a Change Order.

02 The Contractor may apply for an extension of Contract Time according to the terms of subsection GC 3.07, Extension of Contract Time.

03 Payment for the Additional Work may be negotiated pursuant to subsection GC 3.14, Claims, Negotiations, Mediation, or payment may be made according to the conditions contained in clause GC 8.02.04, Payment on a Time and Material Basis.

GC 3.12 Notices

01 Any notice permitted or required to be given to the Contract Administrator or the Superintendent in respect of the Work shall be deemed to have been given to and received by the addressee on the date of delivery if delivered by hand or by facsimile transmission and on the fifth Day after the date of mailing if sent by mail.
.02 The Contractor and the Owner shall provide each other with the mailing addresses, telephone numbers and facsimile terminal numbers for the Contract Administrator and the Superintendent at the commencement of the Work.

.03 In the event of an emergency situation or other urgent matter the Contract Administrator or the Superintendent may give a verbal notice, provided that such notice is confirmed in writing within 2 Days.

.04 Any notice permitted or required to be given to the Owner or the Contractor shall be given in accordance with the notice provision of the Contract.

**GC 3.13 Use and Occupancy of the Work Prior to Substantial Performance**

.01 Where it is not contemplated elsewhere in the Contract Documents, the Owner may use or occupy the Work or any part thereof prior to Substantial Performance, provided that at least 30 Days' written notice has been given to the Contractor.

.02 The use or occupancy of the Work or any part thereof by the Owner prior to Substantial Performance shall not constitute an acceptance of the Work or parts so occupied. In addition, the use or occupancy of the Work shall not relieve the Contractor or the Contractor's Surety from any liability that has arisen, or may arise, from the performance of the Work in accordance with the Contract Documents. The Owner will be responsible for any damage that occurs because of the Owner's use or occupancy. Such use or occupancy of any part of the Work by the Owner does not waive the Owner's right to charge the Contractor liquidated damages in accordance with the terms of the Contract.

**GC 3.14 Claims, Negotiations, Mediation**

**GC 3.14.01 Continuance of the Work**

.01 Unless the Contract has been terminated or completed, the Contractor shall in every case, after serving or receiving any notification of a claim or dispute, verbal or written, continue to proceed with the Work with due diligence and expedition. It is understood by the parties that such action will not jeopardize any claim it may have.

**GC 3.14.02 Record Keeping**

.01 Immediately upon commencing work which may result in a claim, the Contractor shall keep Daily Work Records during the course of the Work, sufficient to substantiate the Contractor's claim, and the Contract Administrator will keep Daily Work Records to be used in assessing the Contractor's claim, all in accordance with clause GC 8.02.07, Records.

.02 The Contractor and the Contract Administrator shall reconcile their respective Daily Work Records on a daily basis, to simplify review of the claim, when submitted.

.03 The keeping of Daily Work Records by the Contract Administrator or the reconciling of such Daily Work Records with those of the Contractor shall not be construed to be acceptance of the claim.

**GC 3.14.03 Claims Procedure**

.01 The Contractor shall give verbal notice of any situation which may lead to a claim for additional payment immediately upon becoming aware of the situation.

.02 The Contractor shall provide written notice in the standard form "Notice of Intent to Claim" within 7 Days of the commencement of any part of the Work which may be affected by the situation.
The Contractor shall submit detailed claims as soon as reasonably possible and in any event no later than 30 Days after completion of the work affected by the situation. The detailed claim shall:
a) identify the item or items in respect of which the claim arises;
b) state the grounds, contractual or otherwise, upon which the claim is made; and
c) include the Records maintained by the Contractor supporting such claim.
In exceptional cases the 30 Days may be increased to a maximum of 90 Days with approval in writing from the Contract Administrator.

Within 30 Days of the receipt of the Contractor's detailed claim, the Contract Administrator may request the Contractor to submit any further and other particulars as the Contract Administrator considers necessary to assess the claim. The Contractor shall submit the requested information within 30 Days of receipt of such request.

Within 90 Days of receipt of the detailed claim, the Contract Administrator shall advise the Contractor, in writing, of the Contract Administrator's opinion with regard to the validity of the claim.

**GC 3.14.04 Negotiations**

The parties shall make all reasonable efforts to resolve their dispute by amicable negotiations and agree to provide, without prejudice, open and timely disclosure of relevant facts, information, and documents to facilitate these negotiations.

Should the Contractor disagree with the opinion given in paragraph GC 3.14.03.05, with respect to any part of the claim, the Contract Administrator shall enter into negotiations with the Contractor to resolve the matters in dispute. Where a negotiated settlement cannot be reached and it is agreed that payment cannot be made on a Time and Material basis in accordance with clause GC 8.02.04, Payment on a Time and Material Basis, the parties shall proceed in accordance with clause GC 3.14.05, Mediation, or subsection GC 3.15, Engineering Arbitration.

**GC 3.14.05 Mediation**

If a claim is not resolved satisfactorily through the negotiation stage noted in clause GC 3.14.04, Negotiations, within a period of 30 Days following the opinion given in paragraph GC 3.14.03.05, and the Contractor wishes to pursue the issue further, the parties may, upon mutual agreement, utilize the services of an independent third party mediator.

The mediator shall be mutually agreed upon by the Owner and Contractor.

The mediator shall be knowledgeable regarding the area of the disputed issue. The mediator shall meet with the parties together and separately, as necessary, to review all aspects of the issue. In a final attempt to assist the parties in resolving the issue themselves prior to proceeding to arbitration the mediator shall provide, without prejudice, a non-binding recommendation for settlement.

The review by the mediator shall be completed within 90 Days following the opinion given in paragraph GC 3.14.03.05.

Each party is responsible for its own costs related to the use of the third party mediator process. The cost of the third party mediator shall be equally shared by the Owner and Contractor.

**GC 3.14.06 Payment**

Payment of the claim will be made no later than 30 Days after the date of resolution of the claim or dispute. Such payment will be made according to the terms of Section GC 8.0, Measurement and Payment.
GC 3.14.07 Rights of Both Parties

.01 It is agreed that no action taken under this subsection GC 3.14, Claims, Negotiations, Mediation, by either party shall be construed as a renunciation or waiver of any of the rights or recourse available to the parties, provided that the requirements set out in this subsection are fulfilled.

GC 3.15 Engineering Arbitration

GC 3.15.01 Conditions for Engineering Arbitration

.01 If a claim is not resolved satisfactorily through the negotiation stage noted in clause GC 3.14.04, Negotiations, or the mediation stage noted in clause GC 3.14.05, Mediation, either party may invoke the provisions of subsection GC 3.15, Engineering Arbitration, by giving written notice to the other party.

.02 Notification that arbitration shall be implemented to resolve the issue shall be communicated in writing as soon as possible and no later than 60 Days following the opinion given in paragraph GC 3.14.03.05. Where the use of a third party mediator was implemented, notification shall be within 120 Days of the opinion given in paragraph GC 3.14.03.05.

.03 The parties shall be bound by the decision of the arbitrator.

.04 The rules and procedures of the Arbitration Act, 1991, S.O. 1991, c.17, as amended, shall apply to any arbitration conducted hereunder except to the extent that they are modified by the express provisions of this subsection GC 3.15, Engineering Arbitration.

GC 3.15.02 Arbitration Procedure

.01 The following provisions are to be included in the agreement to arbitrate and are subject only to such right of appeal as exist where the arbitrator has exceeded his or her jurisdiction or have otherwise disqualified him or herself:

a) All existing actions in respect of the matters under arbitration will be stayed pending arbitration;

b) All outstanding claims and matters to be settled are to be set out in a schedule to the agreement. Only such claims and matters as are in the schedule will be arbitrated; and

c) Before proceeding with the arbitration, the Contractor shall confirm that all matters in dispute are set out in the schedule.

GC 3.15.03 Appointment of Arbitrator

.01 The arbitrator shall be mutually agreed upon by the Owner and Contractor to adjudicate the dispute.

.02 Where the Owner and Contractor cannot agree on a sole arbitrator within 30 Days of the notification of arbitration noted in paragraph GC 3.15.01.02, the Owner and the Contractor shall each choose an appointee within 37 Days of the notice of arbitration.

.03 The appointees shall mutually agree upon an arbitrator to adjudicate the dispute within 15 Days after the last appointee was chosen or they shall refer the matter to the Arbitration and Mediation Institute of Ontario Inc. which will select an arbitrator to adjudicate the dispute within 7 Days of being requested to do so.

.04 The arbitrator shall not be interested financially in the Contract nor in either party's business and shall not be employed by either party.

.05 The arbitrator may appoint independent experts and any other persons to assist him or her.
The arbitrator is not bound by the rules of evidence which govern the trial of cases in court but may hear and consider any evidence which the arbitrator considers relevant.

The hearing will commence within 90 Days of the appointment of the arbitrator.

**GC 3.15.04 Costs**

The arbitrator's fee shall be equally shared by the Owner and the Contractor.

The fees of any independent experts and any other persons appointed to assist the arbitrator shall be shared equally by the Owner and the Contractor.

The arbitration hearing shall be held in a place mutually agreed upon by both parties or in the event the parties do not agree, a site shall be chosen by the arbitrator. The cost of obtaining appropriate facilities shall be shared equally by the Owner and the Contractor.

The arbitrator may, in his or her discretion, award reasonable costs, related to the arbitration.

**GC 3.15.05 The Decision**

The reasoned decision will be made in writing within 90 Days of the conclusion of the hearing. An extension of time to make a decision may be granted with consent of both parties. Payment shall be made in accordance with clause GC 3.14.06, Payment.

**GC 3.16 Archaeological Finds**

If the Contractor's operations expose any items which may indicate an archaeological find, such as building remains, hardware, accumulations of bones, pottery, or arrowheads, the Contractor shall immediately notify the Contract Administrator and suspend operations within the area identified by the Contract Administrator. Notification may be verbal provided that such notice is confirmed in writing within 2 Days. Work shall remain suspended within that area until otherwise directed by the Contract Administrator in writing, in accordance with subsection GC 7.09, Suspension of Work.

Any delay in the completion of the Contract that is caused by such a suspension of Work will be considered to be beyond the Contractor's control in accordance with paragraph GC 3.08.01.

Any work directed or authorized in connection with an archaeological find will be considered as Extra Work in accordance with clause GC 3.11.02, Extra Work.
SECTION GC 4.0 - OWNER’S RESPONSIBILITIES AND RIGHTS

GC 4.01 Working Area

.01 The Owner will acquire all property rights which are deemed necessary by the Owner for the construction of the Work, including temporary working easements, and will indicate the full extent of the Working Area on the Contract Drawings.

.02 The Geotechnical Report and Subsurface Report which will be provided by the Owner as part of the tender documents shall form part of the Contract Drawings.

GC 4.02 Approvals and Permits

.01 The Owner will pay for all plumbing and building permits.

.02 The Owner will obtain and pay for all permits, licenses and certificates solely required for Project approval.

GC 4.03 Management and Disposition of Materials

.01 The Owner will identify in the Contract Documents the materials to be moved within or removed from the Working Area, and any characteristics of those materials which will necessitate special materials management and disposition.

.02 In accordance with regulations under the Occupational Health and Safety Act, R.S.O. 1990, c.O.1, as amended, the Owner advises that
   a) the designated substances silica, lead and arsenic are generally present throughout the Working Area occurring naturally or as a result of vehicle emissions;
   b) the designated substance asbestos is present in asbestos conduits for utilities;
   c) the following hazardous materials are ordinarily present in construction activities: limestone, gypsum, marble, mica and Portland cement; and
   d) exposure to these substances may occur as a result of activities by the Contractor such as sweeping, grinding, crushing, drilling, blasting, cutting and abrasive blasting.

.03 The Owner will identify in the Contract Documents any designated substances or hazardous materials other than those identified above and their location in the Working Area.

.04 If the Owner or Contractor discovers or is advised of the presence of designated substances or hazardous materials which are in addition to those listed in paragraph GC 4.03.02, or not clearly identified in the Contract Documents according to paragraph GC 4.03.03, then verbal notice will be provided to the other party immediately with written confirmation within 2 Days. The Contractor will stop work in the area immediately and will determine the necessary steps required to complete the work in accordance with applicable legislation and regulation.

.05 The Owner will be responsible for any reasonable additional costs of removing, managing and disposing of any material not identified in the Contract Documents, or where conditions exist that could not have been reasonably foreseen at the time of tendering. All work under this paragraph shall be deemed to be Extra Work.

.06 Prior to commencement of the Work, the Owner will provide to the Contractor a list of those products controlled under the Workplace Hazardous Materials Information System or WHMIS, which the Owner will supply or use on the Contract, together with copies of the Materials Safety Data Sheets for these products. All containers used in the application of products controlled under WHMIS shall be labelled. The Owner will notify the Contractor in writing of changes to the list and provide relevant Material Safety Data Sheets.
GC 4.04 Construction Affecting Railway Property

.01 The Owner will pay the costs of all flagging and other traffic control measures required and provided by the railway company unless such costs are solely a function of the Contractor's chosen method of completing the Work.

GC 4.05 Default by the Contractor

.01 The Contractor shall be in default of the Contract if,
   a) the Contractor fails to commence the Work or execute the Work properly or otherwise fails to comply with the requirements of the Contract to a substantial degree; or
   b) if the Contractor is adjudged bankrupt or makes a general assignment for the benefit of creditors because of insolvency or if a receiver is appointed because of insolvency.

GC 4.06 Notification of Default

.01 The Owner will give written notice of a default to the Contractor as soon as the Owner becomes aware of the alleged default but failure to give such notice in a timely way shall not constitute condonation of the default. The notice will include instructions to correct the default within 5 Working Days.

GC 4.07 Contractor's Right to Correct a Default

.01 The Contractor shall have the right within the 5 full Working Days following the receipt of a notice of default to correct the default and provide the Owner with satisfactory proof that appropriate corrective measures have been taken.

.02 If the correction of the default cannot be completed within the 5 full Working Days following receipt of the notice, the Contractor shall not be in default if the Contractor,
   a) commences the correction of the default within the 5 full Working Days following receipt of the notice;
   b) provides the Owner with an acceptable schedule for the progress of such correction; and
   c) completes the correction in accordance with such schedule.

GC 4.08 Owner's Right to Correct Default

.01 If the Contractor fails to correct the default within the time specified in subsection GC 4.07, Contractor's Right to Correct a Default, or subsequently agreed upon, the Owner, without prejudice to any other right or remedy the Owner may have, may correct such default and deduct the cost thereof, as certified by the Contract Administrator, from any payment then or thereafter due to the Contractor.

GC 4.09 Termination of Contractor's Right to Continue the Work

.01 Where the Contractor fails to correct a default within the time specified in subsection GC 4.07, Contractor's Right to Correct a Default, or subsequently agreed upon, the Owner, without prejudice to any other right or remedy the Owner may have, may terminate the Contractor's right to continue the Work in whole or in part by giving written notice to the Contractor.

.02 If the Owner terminates the Contractor's right to continue with the Work in whole or in part, the Owner will be entitled to,
   a) take possession of the Working Area or that portion of the Working Area devoted to that part of the Work terminated;
   b) utilize the Equipment of the Contractor and any Material within the Working Area which is intended to be incorporated into the Work, the whole subject to the right of third parties;
   c) withhold further payments to the Contractor with respect to the Work or the portion of the Work withdrawn from the Contractor until the Work or portion thereof withdrawn is completed;
d) charge the Contractor the additional cost over the Contract price of completing the Work or portion thereof withdrawn from the Contractor, as certified by the Contract Administrator and any additional compensation paid to the Contract Administrator for such additional service arising from the correction of the default;

e) charge the Contractor a reasonable allowance, as determined by the Contract Administrator, to cover correction to the Work performed by the Contractor that may be required under subsection GC 7.15, Warranty;

f) charge the Contractor for any damages the Owner may have sustained as a result of the default; and

g) charge the Contractor the amount by which the cost of corrections to the Work under subsection GC 7.15, Warranty, exceeds the allowance provided for such corrections.

GC 4.10 Final Payment to Contractor

.01 If the Owner's cost to correct and complete the Work in whole or in part is less than the amount withheld from the Contractor under subsection GC 4.09, Termination of Contractor's Right to Continue the Work, the Owner will pay the balance to the Contractor as soon as the final accounting for the Contract is complete.

GC 4.11 Termination of the Contract

.01 Where the Contractor is in default of the Contract the Owner may, without prejudice to any other right or remedy the Owner may have, terminate the Contract by giving written notice of termination to the Contractor, the Surety and any trustee or receiver acting on behalf of the Contractor's estate or creditors.

.02 If the Owner elects to terminate the Contract the Owner will provide the Contractor and the trustee or receiver with a complete accounting to the date of termination.

GC 4.12 Continuation of Contractor's Obligations

.01 The Contractor's obligation under the Contract as to quality, correction and warranty of the Work performed prior to the time of termination of the Contract or termination of the Contractor's right to continue with the Work in whole or in part shall continue to be in force after such termination.

GC 4.13 Use of Performance Bond

.01 If the Contractor is in default of the Contract and the Contractor has provided a Performance Bond, the provisions of this Section shall be exercised in accordance with the conditions of the Performance Bond.
SECTION GC 5.0 - MATERIAL

GC 5.01 Supply of Material

.01 All Material necessary for the proper completion of the Work, except that listed as being supplied by the Owner, shall be supplied by the Contractor. The Contract price for the appropriate tender items shall be deemed to include full compensation for the supply of such Material.

GC 5.02 Quality of Material

.01 All Material supplied by the Contractor shall be new or unless otherwise specified in the Contract Documents.

.02 Material supplied by the Contractor shall conform to the requirements of the Contract.

.03 As specified or as requested by the Contract Administrator, the Contractor shall make available for inspection or testing a sample of any Material to be supplied by the Contractor.

.04 The Contractor shall obtain for the Contract Administrator the right to enter upon the premises of the Material manufacturer or supplier to carry out such inspection, sampling and testing as specified or as requested by the Contract Administrator.

.05 The Contractor shall notify the Contract Administrator of the sources of supply sufficiently in advance of the Material shipping dates to enable the Contract Administrator to perform the required inspection, sampling and testing.

.06 The Owner will not be responsible for any delays to the Contractor's operations where the Contractor fails to give sufficient advance notice to the Contract Administrator to enable the Contract Administrator to carry out the required inspection, sampling and testing before the scheduled shipping date.

.07 The Contractor shall not change the source of supply of any Material without the written authorization of the Contract Administrator.

.08 Material which is not specified shall be of a quality best suited to the purpose required and the use of such Material shall be subject to the approval of the Contract Administrator.

GC 5.03 Rejected Material

.01 Rejected Material shall be removed from the Working Area expeditiously after the notification to that effect from the Contract Administrator. Where the Contractor fails to comply with such notice the Contract Administrator may cause the rejected Material to be removed from the Working Area and disposed of in what the Contract Administrator considers to be the most appropriate manner and the Contractor shall pay the costs of disposal and the appropriate overhead charges.

GC 5.04 Substitutions

.01 Where the specifications require the Contractor to supply a Material designated by a trade or other name, the Tender shall be based only upon supply of the Material so designated, which shall be regarded as the standard of quality required by the specification. After the acceptance of the Tender, the Contractor may apply to the Contract Administrator to substitute another Material identified by a different trade or other name for the Material designated as aforesaid. The application shall be in writing and shall state the price for the proposed substitute Material designated as aforesaid, and such other information as the Contract Administrator may require.
.02 Rulings on a proposed substitution will not be made prior to the acceptance of the Tender. Substitutions shall not be made without the prior approval of the Contract Administrator. The approval or rejection of a proposed substitution will be made at the discretion of the Contract Administrator.

.03 If the proposed substitution is approved by the Contract Administrator, the Contractor shall be entitled to the first $1000 of the aggregate saving in cost by reason of such substitution and to 50% of any additional saving in cost in excess of such $1000. Each such approval shall be conveyed to the Contractor in writing or by issuance of a Certificate of Equality on the Owner's standard form of "Certification of Equality" and if any adjustment to the Contract price is made by reason of such substitution a Change Order shall be issued as well.

**GC 5.05 Owner Supplied Material**

**GC 5.05.01 Ordering of Excess Material**

.01 Where Material is supplied by the Owner and where this Material is ordered by the Contractor in excess of the amount specified to complete the Work, such excess Material shall become the property of the Contractor on completion of the Work and shall be charged to the Contractor at cost plus applicable overheads.

**GC 5.05.02 Care of Material**

.01 The Contractor shall, in advance of receipt of shipments of Material supplied by the Owner, provide adequate and proper storage facilities acceptable to the Contract Administrator, and on the receipt of such Material shall promptly place it in storage except where it is to be incorporated forthwith into the Work.

.02 The Contractor shall be responsible for acceptance of Material supplied by the Owner, at the specified delivery point and for its safe handling and storage. If such Material is damaged while under the control of the Contractor it shall be replaced or repaired by the Contractor at no expense to the Owner, and to the satisfaction of the Contract Administrator. If such Material is rejected by the Contract Administrator for reasons which are not the fault of the Contractor it shall remain in the care and at the risk of the Contractor until its disposition has been determined by the Contract Administrator.

.03 Where Material supplied by the Owner arrives at the delivery point in a damaged condition or where there are discrepancies between the quantities received and the quantities shown on the bills of lading, the Contractor shall immediately report such damage or discrepancies to the Contract Administrator who shall arrange for an immediate inspection of the shipment and provide the Contractor with a written release from responsibility for such damage or deficiencies. Where damage or deficiencies are not so reported it will be assumed that the shipment arrived in good order and any damage or deficiencies reported thereafter shall be made good by the Contractor at no extra cost to the Owner.

.04 The full amount of Material supplied by the Owner in each shipment shall be accounted for by the Contractor and such Material shall be at the risk of the Contractor after taking delivery. Such Material shall not, except with the written permission of the Contract Administrator, be used by the Contractor for purposes other than the performance of the Work under the Contract.

.05 Empty reels, crates, containers and other type of packaging from Material supplied by the Owner shall become the property of the Contractor when they are no longer required for their original purpose and shall be disposed of by the Contractor unless otherwise specified in the Contract Documents.
.06 The Contractor shall provide the Contract Administrator, immediately upon receipt of each shipment, copies of bills of lading, or such other documentation the Contract Administrator may require to substantiate and reconcile the quantities of Material received.

.07 Where Material supplied by the Owner is ordered and stockpiled prior to the award of the Contract, the Contractor shall, at no extra cost to the Owner, immediately upon commencement of operations, check the Material, report any damage or deficiencies to the Contract Administrator and take charge of the Material at the stockpile site. Where damage or deficiencies are not so recorded by the Contractor it shall be assumed that the stockpile was in good order when the Contractor took charge of it and any damage or deficiencies reported thereafter shall be made good by the Contractor at no extra cost to the Owner.
SECTION GC 6.0 - INSURANCE, PROTECTION AND DAMAGE

GC 6.01 Protection of Work, Persons and Property

.01 The Contractor, the Contractor's agents and all workers employed by or under the control of the Contractor, including Subcontractors, shall protect the Work, persons and property from damage or injury, and shall be responsible for all losses and damage which may arise as the result of the Contractor's operations under the Contract unless indicated to the contrary below.

.02 The Contractor is responsible for the full cost of any necessary temporary provisions and the restoration of all damage where the Contractor damages the Work or property in the performance of the Contract. If the Contractor is not responsible for the damage that occurs to the Work or property the Contractor shall restore such damage, and such work shall be administered according to these General Conditions.

.03 The Contractor shall immediately inform the Contract Administrator of all damage and injuries which occur during the term of the Contract.

.04 The Contractor shall not be responsible for loss and damage that occurs as a result of,
   a) war;
   b) blockades and civil commotions;
   c) errors in the Contract Documents; or
   d) acts or omissions of the Owner, the Contract Administrator, their agents and employees, or others not under the control of the Contractor, but within the Working Area with the Owner's permission.

.05 The Contractor and his Surety or Sureties shall not be released from any term or provision of any responsibility, obligation or liability under the Contract or waive or impair any of the rights of the Owner except by a release duly executed by the Owner.

GC 6.02 Indemnification

.01 The Contractor shall indemnify and hold harmless the Owner and the Contract Administrator, their agents, officers and employees from and against all claims, demands, losses, expenses, costs, damages, actions, suits or proceedings by third parties, hereinafter called "claims", directly or indirectly arising or alleged to arise out of the performance of or the failure to perform the Work, provided such claims are,
   a) attributable to bodily injury, sickness, disease, or death or to damage to or destruction of tangible property;
   b) caused by negligent acts or omissions of the Contractor or anyone for whose acts the Contractor may be liable; and
   c) made in writing within a period of 6 years from the date of Substantial Performance of the Work as set out in the Certificate of Substantial Performance of the Work or, where so specified in the Contract from the date of certification of Final Acceptance.

.02 The Contractor shall indemnify and hold harmless the Owner from all and every claim for damages, royalties or fees for the infringement of any patented invention or copyright occasioned by the Contractor in connection with the Work performed or Material furnished by the Contractor under the Contract.

.03 The Owner expressly waives the right to indemnity for claims other than those stated above in paragraphs GC 6.02.01 and GC 6.02.02.

.04 The Owner shall indemnify and hold harmless the Contractor, his agents, officers and employees from and against all claims, demands, losses, expenses, costs, damages, actions, suits, or proceedings arising out of the Contractor's performance of the Contract which are attributable to a lack of or defect in title or an alleged lack of or defect in title to the Working Area.
The Contractor expressly waives the right to indemnity for claims other than those stated above in paragraph GC 6.02.04.

**GC 6.03 Contractor's Insurance**

**GC 6.03.01 General**

01 Without restricting the generality of subsection GC 6.02, Indemnification, the Contractor shall provide, maintain and pay for the insurance coverages listed under clauses GC 6.03.02 and GC 6.03.03. Insurance coverage in clauses GC 6.03.04, GC 6.03.05 and GC 6.03.06 will only apply when so specified in the Contract Documents.

**GC 6.03.02 General Liability Insurance**

01 General liability insurance shall be in the name of the Contractor, with the Owner and the Contract Administrator named as additional insureds, with limits of not less than 5 million dollars inclusive per occurrence for bodily injury, death, and damage to property including loss of use thereof, with a property damage deductible of not more than $5000. The form of this insurance shall be the Insurance Bureau of Canada Form IBC 2100, dated 8-87.

02 Another form of insurance equal to or better than that required in IBC Form 2100 may be used, provided all the requirements listed in the Contract are included. Approval of this insurance will be conditional upon the Contractor obtaining the services of an insurer licensed to underwrite insurance in the Province of Ontario and obtaining the insurer's certificate of equivalency to the required insurance.

03 The insurance shall be maintained continuously from the commencement of the Work until 12 months following the date of Substantial Performance of the Work, as set out in the Certificate of Substantial Performance of the Work, or until the Final Acceptance Certificate is issued, whichever is later, and with respect to completed operations coverage for a period of not less than 24 months from the date of Final Acceptance of the Work as set out in the Final Acceptance Certificate, and thereafter to be maintained for a further period of 4 years.

04 The Contractor shall submit annually to the Owner, proof of continuation of the completed operations coverage and if the Contractor fails to do so, the limitation period for claiming indemnity described in paragraph GC 6.02.01 c), will not be binding on the Owner.

05 Should the Contractor decide not to employ Subcontractors for operations requiring the use of explosives for blasting, or pile driving or caisson work, or removal or weakening of support of property building or land, IBC Form 2100 as required shall include the appropriate endorsements.

06 The policies shall be endorsed to provide the Owner with not less than 30 Days' written notice in advance of cancellation, change or amendment restricting coverage.

07 "Claims Made" insurance policies will not be permitted.

**GC 6.03.03 Automobile Liability Insurance**

01 Automobile liability insurance in respect of licensed vehicles shall have limits of not less than 5 million dollars inclusive per occurrence for bodily injury, death and damage to property, in the following forms endorsed to provide the Owner with not less than 30 Days' written notice in advance of any cancellation, change or amendment restricting coverage:

a) standard non-owned automobile policy including standard contractual liability endorsement, and

b) standard owner's form automobile policy providing third party liability and accident benefits insurance and covering licensed vehicles owned or operated by the Contractor.
GC 6.03.04 Aircraft and Watercraft Liability Insurance

.01 Aircraft and watercraft liability insurance with respect to owned or non-owned aircraft and watercraft if used directly or indirectly in the performance of the Work, including use of additional premises, shall be subject to limits of not less than 5 million dollars inclusive per occurrence for bodily injury, death, and damage to property including loss of use thereof, and limits of not less than 5 million dollars for aircraft passenger hazard. Such insurance shall be in a form acceptable to the Owner. The policies shall be endorsed to provide the Owner with not less than 30 Days' written notice in advance of cancellation, change or amendment restricting coverage.

GC 6.03.05 Property and Boiler Insurance

GC 6.03.05.01 Property Insurance

.01 All risks property insurance shall be in the name of the Contractor, with the Owner and the Contract Administrator named as additional insureds, insuring not less than the sum of the amount of the Contract price and the full value, as may be stated in the Supplemental General Conditions, of Material that is specified to be provided by the Owner for incorporation into the Work, with a deductible not exceeding 1% of the amount insured at the site of the Work. This insurance shall be in a form acceptable to the Owner and shall be maintained continuously until 10 Days after the date of Final Acceptance of the Work, as set out in the Final Acceptance Certificate.

GC 6.03.05.02 Boiler Insurance

.01 Boiler insurance insuring the interests of the Contractor, the Owner and the Contract Administrator for not less than the replacement value of boilers and pressure vessels forming part of the Work, shall be in a form acceptable to the Owner. This insurance shall be maintained continuously from commencement of use or operation of the property insured until 10 Days after the date of Final Acceptance of the Work, as set out in the Final Acceptance Certificate.

GC 6.03.05.03 Use and Occupancy of the Work Prior to Completion

.01 Should the Owner wish to use or occupy part or all of the Work prior to Substantial Performance, the Owner will give 30 Days' written notice to the Contractor of the intended purpose and extent of such use or occupancy. Prior to such use or occupancy the Contractor shall notify the Owner in writing of the additional premium cost, if any, to maintain property and boiler insurance, which shall be at the Owner's expense. If because of such use or occupancy the Contractor is unable to provide coverage, the Owner upon written notice from the Contractor and prior to such use or occupancy shall provide, maintain and pay for property and boiler insurance insuring the full value of the Work, including coverage for such use or occupancy, and shall provide the Contractor with proof of such insurance. The Contractor shall refund to the Owner the unearned premiums applicable to the Contractor's policies upon termination of coverage.

.02 The policies shall provide that, in the event of a loss or damage, payment shall be made to the Owner and the Contractor as their respective interests may appear. The Contractor shall act on behalf of both the Owner and the Contractor for the purpose of adjusting the amount of such loss or damage payment with the insurers. When the extent of the loss or damage is determined the Contractor shall proceed to restore the Work. Loss or damage shall not affect the rights and obligations of either party under the Contract except that the Contractor shall be entitled to such reasonable extension of Contract Time relative to the extent of the loss or damage as the Contract Administrator may decide in consultation with the Contractor.
GC 6.03.05.04 Payment for Loss or Damage

.01 The Contractor shall be entitled to receive from the Owner, in addition to the amount due under the Contract, the amount at which the Owner's interest in restoration of the Work has been appraised, such amount to be paid as the restoration of the Work proceeds and in accordance with the requirements of Section GC 8.0, Measurement and Payment. In addition the Contractor shall be entitled to receive from the payments made by the insurers the amount of the Contractor's interest in the restoration of the Work.

.02 The Contractor shall be responsible for deductible amounts under the policies except where such amounts may be excluded from the Contractor's responsibility by the terms of this Contract.

.03 In the event of a loss or damage to the Work arising from the action or omission of the Owner or others, the Owner shall pay the Contractor the cost of restoring the Work as the restoration of the Work proceeds and in accordance with the requirements of Section GC 8.0, Measurement and Payment.

GC 6.03.06 Contractor's Equipment Insurance

.01 All risks Contractor's equipment insurance covering construction machinery and equipment used by the Contractor for the performance of the Work, including boiler insurance on temporary boilers and pressure vessels, shall be in a form acceptable to the Owner and shall not allow subrogation claims by the insurer against the Owner. The policies shall be endorsed to provide the Owner with not less than 30 Days' written notice in advance of cancellation, change or amendment restricting coverage. Subject to satisfactory proof of financial capability by the Contractor for self-insurance of the Contractor's Equipment, the Owner agrees to waive the equipment insurance requirement, and for the purpose of this Contract, the Contractor shall be deemed to be insured. This policy shall be amended to provide permission for the Contractor to grant prior releases with respect to damage to the Contractor's Equipment.

GC 6.03.07 Insurance Requirements and Duration

.01 Unless specified otherwise the duration of each insurance policy shall be from the date of commencement of the Work until 10 Days after the date of Final Acceptance of the Work, as set out in the Final Acceptance Certificate.

.02 The Contractor shall provide the Owner, on a form acceptable to the Owner, proof of insurance prior to commencement of the Work, and signed by an officer of the Contractor and either the underwriter or the broker.

.03 The Contractor shall, on request, promptly provide the Owner with a certified true copy of each insurance policy exclusive of information pertaining to premium or premium bases used by the insurer to determine the cost of the insurance. The certified true copy shall include a signature by an officer of the Contractor and in addition, a signature by an officer of the insurer or the underwriter or the broker.

.04 Where a policy is renewed the Contractor shall provide the Owner, on a form acceptable to the Owner, renewed proof of insurance immediately following completion of renewal.

.05 Unless specified otherwise the Contractor shall be responsible for the payment of deductible amounts under the policies.

.06 If the Contractor fails to provide or maintain insurance as required in subsection GC 6.03, Contractor's Insurance, or elsewhere in the Contract Documents, then the Owner will have the right to provide and maintain such insurance and give evidence thereof to the Contractor. The Owner's cost thereof shall be payable by the Contractor to the Owner on demand.
.07 If the Contractor fails to pay the cost of the insurance placed by the Owner within 30 Days of the date on which the Owner made a formal demand for reimbursement of such costs the Owner may deduct the costs thereof from monies which are due or may become due to the Contractor.

GC 6.04 Bonding

.01 The Contractor shall provide the Owner with the surety bonds in the amount required by the tender documents.

.02 Such bonds shall be issued by a duly licensed surety company authorized to transact a business of suretyship in the Province of Ontario and shall be maintained in good standing until the fulfilment of the Contract.
SECTION GC 7.0 - CONTRACTOR'S RESPONSIBILITIES AND CONTROL OF THE WORK

GC 7.01  General

.01  The Contractor warrants that the site of the Work has been visited during the preparation of the Tender and the character of the Work and all local conditions which may affect the performance of the Work are known.

.02  The Contractor shall not commence the Work nor deliver anything to the Working Area until the Contractor has received a written order to commence the Work, signed by the Contract Administrator.

.03  The Contractor shall have complete control of the Work and shall effectively direct and supervise the Work so as to ensure conformity with the Contract Documents. The Contractor shall be responsible for construction means, methods, techniques, sequences and procedures and for coordinating the various parts of the Work.

.04  The Contractor shall have the sole responsibility for the design, erection, operation, maintenance and removal of temporary structures and other temporary facilities and the design and execution of construction methods required in their use.

.05  Notwithstanding paragraph GC 7.01.04, where the Contract Documents include designs for temporary structures and other temporary facilities or specify a method of construction in whole or part, such facilities and methods shall be considered to be part of the design of the Work, and the Contractor shall not be held responsible for that part of the design or the specified method of construction. The Contractor shall, however, be responsible for the execution of such design or specified method of construction in the same manner that the Contractor is responsible for the execution of the Work.

.06  The Contractor shall execute the terms of the Contract in strict compliance with the requirements of the Occupational Health and Safety Act, R.S.O. 1990, c.O.1 (the "Act") and Ontario Regulation 213/91 (which regulates Construction Projects) and any other regulations under the Act (the "Regulations") which may affect the performance of the Work, as the "constructor" or "employer", as defined by the Act, as the case may be. The Contractor shall ensure that:

a) worker safety is given first priority in planning, pricing and performing the Work;

b) its officers and supervisory employees have a working knowledge of the duties of a "constructor" and "employer" as defined by the Act and the provisions of the Regulations applicable to the Work, and a personal commitment to comply with them;

c) a copy of the most current version of the Act and the Regulations are available at the Contractor's office within the Working Area, or, in the absence of an office, in the possession of the supervisor responsible for the performance of the Work;

d) workers employed to carry out the Work possess the knowledge, skills and protective devices required by law or recommended for use by a recognized industry association to allow them to work in safety;

e) its supervisory employees carry out their duties in a diligent and responsible manner with due consideration for the health and safety of the workers; and

f) all Subcontractors and their employees are properly protected from injury while they are at the work place.

.07  The Contractor when requested shall provide the Owner with a copy of its health and safety policy and program at the pre-start meeting, and shall respond promptly to requests from the Owner for confirmation that its methods and procedures for carrying out the Work comply with the Act and Regulations. The Contractor shall cooperate with representatives of the Owner and inspectors appointed to enforce the Act and the Regulations in any investigations of worker health and safety in the performance of the Work. The Contractor shall indemnify and save the Owner harmless from any additional expense which the Owner may incur to have the Work performed as a result of the Contractor's failure to comply with the requirements of the Act and the Regulations.
.08 Prior to commencement of the Work the Contractor shall provide to the Contract Administrator a list of those products controlled under the Workplace Hazardous Materials Information System or WHMIS, which the Contractor expects to use on the Contract. Related Materials Safety Data Sheets shall accompany the submission. All containers used in the application of products controlled under WHMIS shall be labelled. The Contractor shall notify the Contractor Administrator of changes in writing and provide relevant Material Safety Data Sheets.

.09 The Contractor shall have an authorized representative on the site while any work is being performed, to act for or on the Contractor's behalf. Prior to commencement of construction, the Contractor shall notify the Contract Administrator of the names, addresses, positions and telephone numbers of the Contractor's representatives who can be contacted at any time to deal with matters relating to the Contract.

.10 The Contractor shall, at no additional cost to the Owner, furnish all reasonable aid, facilities and assistance required by the Contract Administrator for the proper inspection and examination of the Work or the taking of measurements for the purpose of payment.

.11 The Contractor shall prepare, and update as required, a construction schedule indicating the timing of the major and critical activities of the Work. The schedule shall be designed to ensure conformity with the specified Contract Time. The schedule shall be submitted to the Contract Administrator within 14 Days from the date of the Contract award.

.12 Where the Contractor finds any error, inconsistency or omission relating to the Contract, the Contractor shall promptly report it to the Contract Administrator and shall not proceed with the activity affected until receiving direction from the Contract Administrator.

.13 The Contractor shall arrange with the appropriate utility authorities for the stake out of all underground utilities and service connections which may be affected by the Work. The Contractor shall be responsible for any damage done to the underground utilities by the Contractor's forces during construction if the stake out locations are within the tolerances given in paragraph GC 2.01.01a).

GC 7.02 Layout

.01 Prior to commencement of construction, the Contract Administrator and the Contractor will locate on site those property bars, baselines and benchmarks which are necessary to delineate the Working Area and to lay out the Work, all as shown on the Contract Drawings.

.02 The Contractor shall be responsible for the preservation of all property bars while the Work is in progress, except those property bars which must be removed to facilitate the Work. Any other property bars disturbed, damaged or removed by the Contractor's operations shall be replaced by an Ontario Land Surveyor, at the Contractor's expense.

.03 At no extra cost to the Owner, the Contractor shall provide the Contract Administrator with such materials and devices as may be necessary to lay out the baseline and benchmarks, and as may be necessary for the inspection of the Work.

.04 The Contractor shall provide qualified personnel to lay out and establish all lines and grades necessary for construction. The Contractor shall notify the Contract Administrator of any layout work carried out, so that the same may be checked by the Contract Administrator.

.05 The Contractor shall install and maintain substantial alignment markers and secondary benchmarks as may be required for the proper execution of the Work. The Contractor shall supply one copy of all alignment and grade sheets to the Contract Administrator.
.06 The Contractor shall assume full responsibility for alignment, elevations and dimensions of each and all parts of the Work, regardless of whether the Contractor's layout work has been checked by the Contract Administrator.

.07 All stakes, marks and reference points provided by the Contract Administrator shall be carefully preserved by the Contractor. In the case of their destruction or removal as a result of the Contractor's operations, such stakes, marks and reference points will be replaced by the Contract Administrator at the Contractor's expense.

**GC 7.03 Damage by Vehicles or Other Equipment**

.01 If at any time, in the opinion of the Contract Administrator, damage is being done or is likely to be done to any Roadway or any improvement thereon, outside the Working Area, by the Contractor's vehicles or other equipment, whether licensed or unlicensed equipment, the Contractor shall, on the direction of the Contract Administrator, and at no extra cost to the Owner, make changes or substitutions for such vehicles or equipment, and shall alter loadings, or in some other manner, remove the cause of such damage to the satisfaction of the Contract Administrator.

**GC 7.04 Excess Loading of Motor Vehicles**

.01 Where a vehicle is hauling Material for use on the Work, in whole or in part upon a Highway, and where motor vehicle registration is required for such vehicle, the Contractor shall not cause or permit such vehicle to be loaded beyond the legal limit specified in the *Highway Traffic Act*, R.S.O. 1990, c.H.8, as amended, whether such vehicle is registered in the name of the Contractor or otherwise, except where there are designated areas within the Working Area where overloading is permitted. The Contractor shall bear the onus of weighing disputed loads.

**GC 7.05 Condition of the Working Area**

.01 The Contractor shall maintain the Working Area in a tidy condition and free from the accumulation of debris, other than that caused by the Owner or others.

**GC 7.06 Maintaining Roadways and Detours**

.01 Where an existing Roadway is affected by construction, it shall be kept open to traffic, and the Contractor shall, except as otherwise provided in this subsection, be responsible for providing and maintaining for the duration of the Work, a road through the Working Area, whether along an existing Highway, including the road under construction, or on detours within or adjacent to the Highway, in accordance with the MUTCD.

.02 The Contractor shall not be required to maintain a road through the Working Area until such time as the Contractor has commenced operations or during seasonal shut down or on any part of the Contract that has been accepted in accordance with these General Conditions. The Contractor shall not be required to apply deicing chemicals or abrasives or carry out snowplowing.

.03 Where localized and separated sections of the Highway only are affected by the Contractor's operations, the Contractor will not be required to maintain intervening sections of the Highway until such times as these sections are located within the limits of the Highway affected by the Contractor's general operations under the Contract.

.04 Where the Contract Documents provide for or the Contract Administrator requires detours at specific locations, payment for the construction of the detours, and if required, for the subsequent removal of the detours, will be made at the Contract prices appropriate to such work.
The Contractor shall maintain, in a satisfactory condition for traffic, a road through the Working Area, at the Owner’s expense. The road through the Working Area will include any detour constructed in accordance with the Contract Documents or required by the Contract Administrator. Compensation for all labour, equipment and materials to do this work shall be at the Contract prices appropriate to the work and, where there are no such prices, at negotiated prices. Notwithstanding the foregoing, the cost of blading required to maintain the surface of such roads and detours shall be deemed to be included in the prices bid for the various tender items and no additional payment will be made.

Where work under the Contract is discontinued for any extended period including seasonal shutdown, the Contractor shall, when directed by the Contract Administrator, open and place the Roadway and detours in a passable, safe and satisfactory condition for public travel.

Where the Contractor constructs a detour which is not specifically provided for in the Contract Documents, or required by the Contract Administrator, the construction of the detour and, if required, the subsequent removal shall be performed at the Contractor's expense. The detour shall be constructed and maintained to structural and geometric standards approved by the Contract Administrator. Removal and site restoration shall be performed as directed by the Contract Administrator.

Where, with the prior written approval of the Contract Administrator, the Highway is closed and the traffic diverted entirely off the Highway to any other Highway, the Contractor shall, at no extra cost to the Owner, supply, erect and maintain traffic control devices in accordance with the MUTCD.

Compliance with the foregoing provisions shall in no way relieve the Contractor of obligations under subsection GC 6.01, Protection of Work, Persons and Property, dealing with the Contractor's responsibility for damage claims, except for claims arising on sections of Highway within the Working Area that are being maintained by others.

**GC 7.07 Access to Properties Adjoining the Work and Interruption of Utility Services**

The Contractor shall provide at all times, and at no extra cost to the Owner,

a) adequate pedestrian and vehicular access; and

b) continuity of Utility services
to properties adjoining the Working Area.

The Contractor shall provide at all times and at no extra cost to the Owner access to fire hydrants, and water and gas valves located in the Working Area.

Where any interruptions in the supply of Utility services are required and are authorized by the Contract Administrator, the Contractor shall give the affected property owners notice in accordance with subsection GC 7.11, Notices by the Contractor, and shall arrange such interruptions so as to create a minimum of interference to those affected.

**GC 7.08 Approvals and Permits**

Except as specified in subsection GC 4.02, Approval and Permits, the Contractor shall obtain and pay for any permits, licenses, and certificates which at the date of tender closing, are required for the performance of the Work.

The Contractor shall arrange for all necessary inspections required by the approvals and permits specified in paragraph GC 7.08.01.
GC 7.09  Suspension of Work

.01 The Contractor shall, upon written notice from the Contract Administrator, discontinue or delay any or all of the Work and work shall not be resumed until the Contract Administrator so directs in writing. Delays, in these circumstances, will be administered according to subsection GC 3.08, Delays.

GC 7.10 Contractor's Right to Stop the Work or Terminate the Contract

.01 If the Owner is adjudged bankrupt or makes a general assignment for the benefit of creditors because of insolvency or if a receiver is appointed because of insolvency, the Contractor may, without prejudice to any other right or remedy the Contractor may have, by giving the Owner or receiver or trustee in bankruptcy written notice, terminate the Contract.

.02 If the Work is stopped or otherwise delayed for a period of 30 Days or more under an order of a court or other public authority and provided that such order was not issued as the result of an act or fault of the Contractor or of anyone directly employed or engaged by the Contractor, the Contractor may, without prejudice to any other right or remedy the Contractor may have, by giving the Owner written notice, terminate the Contract.

.03 The Contractor may notify the Owner in writing, with a copy to the Contract Administrator, that the Owner is in default of contractual obligations if,
   a) the Contract Administrator fails to issue certificates in accordance with the provisions of Section GC 8.0, Measurement and Payment;
   b) the Owner fails to pay the Contractor, within 30 Days of the due dates identified in clause GC 8.02.03, Certification and Payment, the amounts certified by the Contract Administrator or within 30 Days of an award by an arbitrator or court; or
   c) the Owner violates the requirements of the Contract.

.04 The Contractor's written notice to the Owner shall advise that if the default is not corrected in the 7 Days immediately following the receipt of the written notice the Contractor may, without prejudice to any other right or remedy the Contractor may have, stop the Work or terminate the Contract.

.05 If the Contractor terminates the Contract under the conditions set out in this subsection, the Contractor shall be entitled to be paid for all work performed according to the Contract Documents and for any losses or damage as the Contractor may sustain as a result of the termination of the Contract.

GC 7.11 Notices by the Contractor

.01 Before work is carried out which may affect the property or operations of any Ministry or agency of government or any person, company, partnership or corporation, including a municipal corporation or any board or commission thereof, and in addition to such notices of the commencement of specified operations as are prescribed elsewhere in the Contract Documents, the Contractor shall give at least 48 hours advance written notice of the date of commencement of such work to the person, company, partnership, corporation, board, or commission so affected.

.02 In the case of damage to, or interference with any utilities, pole lines, pipe lines, conduits, farm tiles, or other public or privately owned works or property, the Contractor shall immediately notify the Owner and the Contract Administrator of the location and details of such damage or interference.
GC 7.12 Obstructions

.01 Except as otherwise noted in these General Conditions, the Contractor assumes all the risks and responsibilities arising out of any obstruction encountered in the performance of the Work and any traffic conditions, including traffic conditions on any Highway or road giving access to the Working Area caused by such obstructions, and the Contractor shall not make any claim against the Owner for any loss, damage or expense occasioned thereby.

.02 Where the obstruction is a Utility or other man-made object, the Contractor shall not be required to assume the risks and responsibilities arising out of such obstruction, unless the location of the obstruction is shown on the plans or described in the specifications and the location so shown is within the tolerance specified in paragraph GC 2.01.01 a), or unless the presence and location of the obstruction has otherwise been made known to the Contractor or could have been determined by the visual site investigation made by the Contractor in accordance with these General Conditions.

.03 During the course of the Contract, it is the Contractor's responsibility to consult with Utility companies or other appropriate authorities for further information in regard to the exact location of these Utilities, to exercise the necessary care in construction operations, and to take such other precautions as are necessary to safeguard the Utility from damage.

GC 7.13 Limitations of Operations

.01 Except for such work as may be required by the Contract Administrator to maintain the Work in a safe and satisfactory condition, the Contractor shall not carry on operations under the Contract on Sundays without permission in writing from the Contract Administrator.

.02 The Contractor shall cooperate with other Contractors, Utility companies and the Owner and they shall be allowed access to their work or plant at all reasonable times.

GC 7.14 Cleaning Up Before Acceptance

.01 Upon attaining Substantial Performance of the Work, the Contractor shall remove surplus materials, tools, construction machinery and equipment not required for the performance of the remaining Work. The Contractor shall also remove all temporary works and debris other than that caused by the Owner, or others and leave the Work and Working Area clean and suitable for occupancy by the Owner unless otherwise specified.

.02 The Work shall not be deemed to have reached Completion until the Contractor has removed surplus materials, tools, construction machinery and equipment. The Contractor shall also have removed debris, other than that caused by the Owner, or others.

GC 7.15 Warranty

.01 The Contractor shall be responsible for the proper performance of the Work only to the extent that the design and specifications permit such performance.

.02 Subject to the previous paragraph the Contractor shall correct promptly, at no additional cost to the Owner, defects or deficiencies in the Work which appear, a) prior to and during the period of 12 months from the date of Substantial Performance of the Work, as set out in the Certificate of Substantial Performance of the Work, b) where the work is completed after the date of Substantial Performance, 12 months after Completion of the Work, c) where there is no Certificate of Substantial Performance, 12 months from the date of Completion of the Work as set out in the Completion Certificate, or
d) such longer periods as may be specified for certain Materials or some of the Work. The Contract Administrator will promptly give the Contractor written notice of observed defects or deficiencies.

.03 The Contractor shall correct or pay for damage resulting from corrections made under the requirements of paragraph GC 7.15.02.
SECTION GC 8.0 - MEASUREMENT AND PAYMENT

GC 8.01 Measurement

GC 8.01.01 Quantities

.01 The Contract Administrator will make an estimate once a month, in writing, of the quantity of Work performed. The first estimate will be the quantity of Work performed since the Contractor commenced the Contract, and every subsequent estimate, except the final one, will be of the quantity of Work performed since the preceding estimate was made. The Contract Administrator will provide the copy of each estimate to the Contractor within 10 Days of the Cut-Off Date.

.02 Such quantities for progress payments shall be construed and held to approximate. The final quantities for the issuance of the Completion Certificate shall be based on the measurement of Work completed.

.03 Measurement of the quantities of the Work performed will be either by Actual Measurement or by Plan Quantity principles as indicated in the Contract. Adjustments to Plan Quantity measurements will normally be made using Plan Quantity principles but may, where appropriate, be made using Actual Measurements. Those items identified on the Tender by the notation (P) in the unit column shall be paid according to the Plan Quantity. Items where the notation (P) does not occur shall be paid according to Actual Measurement.

GC 8.01.02 Variations in Tender Quantities

.01 Where it appears that the quantity of Work to be done and/or Material to be supplied by the Contractor under a unit price tender item will exceed or be less than the tender quantity, the Contractor shall proceed to do the Work and/or supply the Material required to complete the tender item and payment will be made for the actual amount of Work done and/or Material supplied at the unit prices stated in the Tender except as provided below:

a) In the case of a Major Item where the quantity of Work performed and/or Material supplied by the Contractor exceeds the tender quantity by more than 15%, either party to the Contract may make a written request to the other party to negotiate a revised unit price for that portion of the Work performed and/or Material supplied which exceeds 115% of the tender quantity. The negotiation shall be carried out as soon as reasonably possible. Any revision of the unit price shall be based on the reasonable cost of doing the Work and/or supplying the Material under the tender item plus a reasonable allowance for profit and applicable overhead.

b) In the case of a Major Item where the quantity of Work performed and/or Material supplied by the Contractor is less than 85% of the tender quantity, the Contractor may make a written request to negotiate for the portion of the actual overheads and fixed costs applicable to the amount of the underrun in excess of 15% of the tender quantity. For purposes of the negotiation, the overheads and fixed costs applicable to the item are deemed to have been prorated uniformly over 100% of the tender quantity for the item. Overhead costs shall be confirmed by a statement certified by the Contractor's senior financial officer or auditor and may be audited by the Owner. Alternatively, where both parties agree, an allowance equal to 10% of the unit price on the amount of the underrun in excess of 15% of the tender quantity will be paid.

Written requests for compensation must be received no later than 60 Days after the issuance of the Completion Certificate.

GC 8.02 Payment

GC 8.02.01 Price for Work

.01 Prices for the Work shall be full compensation for all labour, Equipment and Material required in its performance. The term "all labour, Equipment and Material" shall include Hand Tools, supplies and other incidentals.
.02 Payment for work not specifically detailed as part of any one item and without specified details of payment will be deemed to be included in the items with which it is associated.

GC 8.02.02 Advance Payments for Material

.01 The Owner will make advance payments for Material intended for incorporation in the Work upon the written request of the Contractor and according to the following terms and conditions:
   a) The Contractor shall, in advance of receipt of the shipment of the Material, arrange for adequate and proper storage facilities and notify the Contract Administrator of their locations.
   b) The value of aggregates, processed and stockpiled, shall be assessed by the following procedure:
      i. Sources Other Than Commercial
         (1) Granular 'A', 'B' and 'M' shall be assessed at the rate of 60% of the Contract price.
         (2) Coarse and fine aggregates for hot mix asphaltic concrete, surface treatment and Portland cement concrete shall be assessed at the rate of 25% of the Contract price for each aggregate stockpiled.
      ii. Commercial Sources
          Payment for separated coarse and fine aggregates will be considered at the above rate when such materials are stockpiled at a commercial source where further processing is to be carried out before incorporating such materials into a final product. Advance payments for other materials located at a commercial source will not be made.
   c) Payment for all other materials, unless otherwise specified elsewhere in the Contract, shall be based on the invoice price, and the Contractor shall submit proof of cost to the Contract Administrator before payment can be made by the Owner.
   d) The payment for all Materials shall be prorated against the appropriate tender item by paying for sufficient units of the item to cover the value of the material. Such payment shall not exceed 80% of the Contract price for the item.
   e) All Materials for which the Contractor wishes to receive advance payment shall be placed in the designated storage location immediately upon receipt of the material and shall thenceforth be held by the Contractor in trust for the Owner as collateral security for any monies advanced by the Owner and for the due completion of the Work. The Contractor shall not exercise any act of ownership inconsistent with such security, or remove any Material from the storage locations, except for inclusion in the Work, without the consent, in writing, of the Contract Administrator.
   f) Such materials shall remain at the risk of the Contractor who shall be responsible for any loss, damage, theft, improper use or destruction of the material however caused.

.02 Where the Owner makes advance payments subject to the conditions listed in paragraph GC 8.02.02.01, such payment shall not constitute acceptance of the Material by the Owner. Acceptance shall only be determined when the material meets the requirements of the appropriate specification.

GC 8.02.03 Certification and Payment

GC 8.02.03.01 Progress Payment Certificate

.01 The value of the Work performed and Material supplied will be calculated once a month by the Contract Administrator in accordance with the Contract Documents and clause GC 8.01.01, Quantities.

.02 The progress Payment Certificate will show,
   a) the quantities of Work performed;
   b) the value of Work performed;
   c) any advanced payment for Materials;
   d) the amount of statutory holdback, liens, Owner's set-off;
   e) the amount of GST as applicable; and
   f) the amount due the Contractor.
One copy of the progress Payment Certificate will be sent to the Contractor.

Payment will be made within 30 Days of the Cut-Off Date.

**GC 8.02.03.02 Certification of Subcontract Completion**

.01 Before the Work has reached the stage of Substantial Performance, the Contractor may notify the Contract Administrator, in writing that a subcontract is completed satisfactorily and ask that the Contract Administrator certify the completion of such subcontract.

.02 The Contract Administrator will issue a Certificate of Subcontract Completion if the subcontract has been completed satisfactorily, and all required inspection and testing of the works covered by the subcontract have been carried out and the results are satisfactory.

.03 The Contract Administrator will set out in the Certificate of Subcontract Completion the date on which the subcontract was completed and within 7 Days of the date the subcontract is certified complete, the Contract Administrator will give a copy of the certificate to the Contractor and to the Subcontractor concerned.

**GC 8.02.03.03 Subcontract Statutory Holdback Release Certificate and Payment**

.01 Following receipt of the Certificate of Subcontract Completion, the Owner will release and pay the Contractor the statutory holdback retained in respect of the subcontract. Such release shall be made 46 Days after the date the subcontract was certified complete and providing the Contractor submits the following to the Contract Administrator:

   a) a document satisfactory to the Contract Administrator that will release the Owner from all further claims relating to the subcontract, qualified by stated exceptions such as holdback monies;

   b) evidence satisfactory to the Contract Administrator that the Subcontractor has discharged all liabilities incurred in carrying out the subcontract;

   c) a satisfactory clearance certificate or letter from the Workplace Safety and Insurance Board relating to the subcontract; and

   d) a copy of the contract between the Contractor and the Subcontractor and a satisfactory statement showing the total amount due the Subcontractor from the Contractor.

.02 Paragraph GC 8.02.03.03.01 d), will only apply to Lump Sum Items and then only when the Contract Administrator specifically requests it.

.03 Upon receipt of the statutory holdback, the Contractor shall forthwith give the Subcontractor the payment due under the subcontract.

.04 Release of statutory holdback by the Owner in respect of a subcontract shall not relieve the Contractor, or the Contractor’s Surety, of any of their responsibilities.

**GC 8.02.03.04 Certification of Substantial Performance**

.01 Upon application by the Contractor and where the Contract has been substantially performed the Contract Administrator will issue a Certificate of Substantial Performance.

.02 The Contract Administrator will set out in the Certificate of Substantial Performance the date on which the Contract was substantially performed and within 7 Days after signing the said certificate the Contract Administrator will provide a copy to the Contractor.

.03 Upon receipt of a copy of the Certificate of Substantial Performance, the Contractor shall forthwith, as required by Section 32(1) Paragraph 5 of the *Construction Lien Act*, R.S.O. 1990, c.C.30, as amended, publish a copy of the certificate in a construction trade newspaper. Such publication shall include placement in the Daily Commercial News.
Where the Contractor fails to publish a copy of the Certificate of Substantial Performance as required above within 7 Days after receiving a copy of the certificate signed by the Contract Administrator, the Owner may publish a copy of the certificate at the Contractor's expense.

Except as otherwise provided for in Section 31 of the Construction Lien Act, the 45-day lien period prior to the release of holdback as referred to in clause GC 8.02.03.05, Substantial Performance Payment and Statutory Holdback Release Payment Certificates, shall commence from the date of publication of the Certificate of Substantial Performance as provided for above.

**GC 8.02.03.05 Substantial Performance Payment and Substantial Performance Statutory Holdback Release Payment Certificates**

.01 When the Contract Administrator issues the Certificate of Substantial Performance the Contract Administrator will also issue the Substantial Performance Payment Certificate and the Substantial Performance Statutory Holdback Release Payment Certificate or where appropriate, a combined payment certificate.

.02 The Substantial Performance Payment Certificate will show,
   a) the value of Work performed to the date of Substantial Performance;
   b) the value of outstanding or incomplete Work;
   c) the amount of the statutory holdback, allowing for any previous releases of statutory holdback to the Contractor in respect of completed subcontracts and deliveries of pre-selected equipment;
   d) the amount of maintenance security required; and
   e) the amount due the Contractor.

.03 Payment of the amount certified will be made within 30 Days of the date of issuance of the payment certificate.

.04 The Substantial Performance Statutory Holdback Release Payment Certificate will be a payment certificate releasing to the Contractor the statutory holdback due in respect of Work performed up to the date of Substantial Performance. Payment of such statutory holdback shall be due 46 Days after the date of publication of the Certificate of Substantial Performance but subject to the provisions of the Construction Lien Act and the submission by the Contractor of the following documents:
   a) a release by the Contractor in a form satisfactory to the Contract Administrator releasing the Owner from all further claims relating to the Contract, qualified by stated exceptions such as outstanding work or matters arising out of subsection GC 3.14, Claims, Negotiations, Mediation;
   b) a statutory declaration in a form satisfactory to the Contract Administrator that all liabilities incurred by the Contractor and the Contractor's Subcontractors in carrying out the Contract have been discharged except for statutory holdbacks properly retained;
   c) a satisfactory Certificate of Clearance from the Workplace Safety and Insurance Board; and
   d) proof of publication of the Certificate of Substantial Performance.

**GC 8.02.03.06 Certification of Completion**

.01 Upon application by the Contractor, and when the Contract reaches Completion, the Contract Administrator will issue a Completion Certificate.

.02 The Contract Administrator will set out in the Completion Certificate the date on which the Work was completed and within 7 Days of signing the said certificate the Contract Administrator will provide a copy to the Contractor.
GC 8.02.03.07 Completion Payment and Completion Statutory Holdback Release Payment Certificates

.01 When the Contract Administrator issues the Completion Certificate, the Contract Administrator will also issue the Completion Payment Certificate and the Completion Statutory Holdback Release Payment Certificate or where appropriate, a combined payment certificate.

.02 The Completion Payment Certificate will show,
   a) measurement and value of Work at Completion;
   b) the amount of the further statutory holdback based on the value of further work completed over and above the value of work completed shown in the Substantial Performance Payment Certificate referred to above; and
   c) the amount due the Contractor.

.03 The Completion Statutory Holdback Release Payment Certificate will be a payment certificate releasing to the Contractor the further statutory holdback. Payment of such statutory holdback shall be due 46 Days after the date of Completion of the Work as established by the Completion Certificate but subject to the provisions of the Construction Lien Act and the submission by the Contractor of the following documents:
   a) a release by the Contractor in a form satisfactory to the Contract Administrator releasing the Owner from all further claims relating to the Contract, qualified by stated exceptions where appropriate;
   b) a statutory declaration in a form satisfactory to the Contract Administrator that all liabilities incurred by the Contractor and the Contractor's Subcontractors in carrying out the Contract have been discharged, qualified by stated exceptions where appropriate; and
   c) a satisfactory Certificate of Clearance from the Workplace Safety and Insurance Board.

GC 8.02.03.08 Interest

.01 Interest due the Contractor is based on simple interest and is calculated using the applicable Rate of Interest.

GC 8.02.03.09 Interest for Late Payment

.01 Provided the Contractor has complied with the requirements of the Contract including all documentation requirements, when payment by the Owner to the Contractor for Work performed, or for release of statutory holdback, is delayed by the Owner, then the Contractor shall be entitled to receive interest on the outstanding payment at the Rate of Interest, if payment is not received on the dates set out below:
   a) Progress Payment Certificates: 30 Days after the Cut-Off Date;
   b) Certificate of Subcontract Completion: 30 Days after the date certified as the date on which the subcontract was completed;
   c) Subcontract Statutory Holdback Release Payment Certificate: 76 Days after the date on which the subcontract was completed;
   d) Substantial Performance Payment Certificate: 30 Days after the date of issuance of the certificate.
   e) Substantial Performance Statutory Holdback Release Payment Certificate: 76 Days after publication of the Payment Certificate of Substantial Performance;
   f) Completion Payment Certificate: 30 Days after the date certified as the date on which the Contract reached Completion;
   g) Completion Statutory Holdback Release Payment Certificate: 76 Days after the date certified as the date which the Work was completed.

.02 If the Contractor has not complied with the requirements of the Contract, including all documentation requirements, prior to expiration of the time periods described in paragraph GC 8.02.03.09.01, interest will only begin to accrue when the Contractor has completed those requirements.
GC 8.02.03.10 Interest for Negotiations and Claims

.01 Except as hereinafter provided, where a notice of negotiation, notice of intent to claim and the subsequent claims are submitted in accordance with the time limits and/or procedure described by subsection GC 3.14, Claims, Negotiations, Mediation, the Owner will pay the Contractor the Rate of Interest on the amount of the negotiated price for that part of the Work or on the amount of the settled claim. Such interest will not commence until 30 Days after the satisfactory completion of that part of the Work.

.02 Where the Contractor does not attempt to resolve the negotiation or the claim in an expeditious manner, interest shall be negotiable.

.03 Where the Contractor fails to give notice of a claim within the time limit prescribed by subsection GC 3.14, Claims, Negotiations, Mediation, interest shall not be paid.

.04 Where a Contractor fails to comply with the 30-day time limit and the procedures prescribed in paragraph GC 3.14.03.03 for submission of claims, interest shall not be paid for the delay period.

GC 8.02.03.11 Owner's Set-Off

.01 Pursuant to Section 12 of the Construction Lien Act, the Owner may retain from monies owing to the Contractor under this Contract an amount sufficient to cover any outstanding or disputed liabilities including the cost to remedy deficiencies, the reduction in value of substandard portions of the Work, claims for damages by third parties which have not been determined in writing by the Contractor's insurer, undetermined claims by the Owner under paragraph GC 8.01.02.01 a), any assessment due the Workplace Safety and Insurance Board and any monies to be paid to the workers in accordance with clause GC 8.02.06, Payment of Workers.

.02 Under these circumstances the Owner will give the Contractor appropriate notice of such action.

GC 8.02.03.12 Delay in Payment

.01 The Owner shall not be deemed to be in default of the Contract provided any delay in payment does not exceed 30 Days from the due dates as defined in paragraph GC 8.02.03.09.01.

GC 8.02.04 Payment on a Time and Material Basis

GC 8.02.04.01 Definitions

.01 For the purpose of this clause the following definitions apply:

Cost of Labour: means the amount of wages, salary, travel, travel time, food, lodging or similar items and Payroll Burden paid or incurred directly by the Contractor to or in respect of labour and supervision actively and necessarily engaged on the Work based on the recorded time and hourly rates of pay for such labour and supervision, but shall not include any payment or costs incurred for general supervision, administration of management time spent on the entire Work or any wages, salary or Payroll Burden for which the Contractor is compensated by any payment made by the Owner for Equipment.

Cost of Material: means the cost of Material purchased, or supplied from stock, and valued at current market prices, for the purpose of carrying out Extra Work, by the Contractor, or by others when such arrangements have been made by the Contractor for completing the Work, as shown by itemized invoices.

Operated Rented Equipment: means Rented Equipment for which an operator is provided by the supplier of the equipment and for which the rent or lease includes the cost of the operator.
Payroll Burden: means the payments in respect of workplace insurance, vacation pay, employment insurance, public liability and property damage insurance, sickness and accident insurance, pension fund and such other welfare and benefit payments forming part of the Contractor's normal labour costs.

Rented Equipment: means equipment that is rented or leased for the special purpose of Work on a Time and Material Basis from a person, firm or corporation that is not an associate of the lessee as defined by the Securities Act, R.S.O. 1990, c.S.5, as amended, and is approved by the Contract Administrator.

Road Work: means the preparation, construction, finishing and construction maintenance of roads, streets, highways and parking lots and includes all work incidental thereto other than work on structures.

Sewer and Watermain Work: means the preparation, construction, finishing and construction maintenance of sewer systems and watermain systems, and includes all work incidental thereto other than work on structures.

Standby Time: means any period of time which is not considered Working Time and which together with the Working Time does not exceed 10 hours in any one Working Day and during which time a unit of equipment cannot practically be used on other work but must remain on the site in order to continue with its assigned task and during which time the unit is in fully operable condition.

Structure Work: means the construction, reconstruction, repair, alteration, remodelling, renovation or demolition of any bridge, building, tunnel or retaining wall and includes the preparation for and the laying of the foundation of any bridge, building, tunnel or retaining wall and the installation of equipment and appurtenances incidental thereto.

The 127 Rate: means the rate for a unit of equipment as listed in OPSS 127, Schedule of Rental Rates for Construction Equipment Including Model and Specification Reference, which is current at the time the work is carried out or for equipment which is not so listed, the rate which has been calculated by the Owner, using the same principles as used in determining The 127 Rates.

Work on a Time and Material Basis: means Changes in the Work, Extra Work and Additional Work approved by the Contract Administrator for payment on a Time and Material basis. The Work on a Time and Material Basis shall be subject to all the terms, conditions, specifications and provisions of the Contract.

Working Time: means each period of time during which a unit of equipment is actively engaged on a specific operation and the first 2 hours of each immediately following period during which the unit is not so engaged but during which the operation is otherwise proceeding and during which time the unit cannot practically be transferred to other work but must remain on the site in order to continue with its assigned tasks and during which time the unit is in a fully operable condition.

GC 8.02.04.02 Daily Work Records

.01 Daily Work Records prepared as the case may be by either the Contractor's representative or the Contract Administrator and reporting the labour and Equipment employed and the Material used on each Time and Material project, shall be reconciled and signed each day by both the Contractor's representative and the Contract Administrator.

GC 8.02.04.03 Payment for Work

.01 Payment as herein provided shall be full compensation for all labour, Equipment and Material to do the Work on a Time and Material Basis except where there is agreement to the contrary prior to the commencement of the Work on a Time and Material Basis. The payment adjustments on a Time and Material basis shall apply to each individual Change Order authorized by the Contract Administrator.
GC 8.02.04.04 Payment for Labour

.01 The Owner will pay the Contractor for labour employed on each Time and Material project at 135% of the Cost of Labour up to $3000, then at 120% of any portion of the Cost of Labour in excess of $3000.

.02 The Owner will make payment in respect of Payroll Burden for Work on a Time and Material Basis at the Contractor's actual cost of Payroll Burden.

.03 At the Owner's discretion, an audit may be conducted in which case the actual Payroll Burden so determined shall be applied to all Time and Material work on the Contract.

GC 8.02.04.05 Payment for Material

.01 The Owner will pay the Contractor for Material used on each Time and Material project at 120% of the Cost of the Material up to $3000, then at 115% of any portion of the Cost of Material in excess of $3000.

GC 8.02.04.06 Payment for Equipment

GC 8.02.04.06.01 Working Time

.01 The Owner will pay the Contractor for the Working Time of all equipment other than Rented Equipment and Operated Rented Equipment used on the Work on a Time and Material basis at The 127 Rates with a cost adjustment as follows:
   a) Cost $10,000 or less - no adjustment;
   b) Cost greater than $10,000 but not exceeding $20,000 - payment $10,000 plus 90% of the portion in excess of $10,000; and
   c) Cost greater than $ 20,000 - $19,000 plus 80% of the portion in excess of $20,000.

.02 The Owner will pay the Contractor for the Working Time of Rented Equipment used on the Work on a Time and Material Basis at 110% of the invoice price approved by the Contract Administrator up to a maximum of 110% of The 127 Rate. This constraint will be waived when the Contract Administrator approves the invoice price prior to the use of the Rented Equipment.

.03 The Owner will pay the Contractor for the Working Time of Operated Rented Equipment used on the Work on a Time and Material Basis at 110% of the Operated Rented Equipment invoice price approved by the Contract Administrator prior to the use of the equipment on the Work on a Time and Material Basis.

GC 8.02.04.06.02 Standby Time

.01 The Owner will pay the Contractor for Standby Time of Equipment at 35% of The 127 Rate or 35% of the invoice price whichever is appropriate. The Owner will pay reasonable costs for Rented Equipment where this is necessarily retained in the Working Area for extended periods agreed to by the Contract Administrator. This will include Rented Equipment intended for use on other work, but has been idled due to the circumstances giving rise to the Work on a Time and Material Basis.

.02 In addition, the Owner will include the Cost of Labour of operators or associated labourers who cannot be otherwise employed during the standby period or during the period of idleness caused by the circumstances giving rise to the Work on a Time and Material Basis.

.03 The Contract Administrator may require Rented Equipment idled by the circumstances giving rise to the Work on Time and Material Basis to be returned to the lessor until the work requiring the equipment can be resumed. The Owner will pay such costs as result from such return.
.04 When Equipment is transported, solely for the purpose of the Work on a Time and Material Basis, to or from the Working Area on a Time and Material basis, payment will be made by the Owner only in respect of the transporting units. When Equipment is moved under its own power it shall be deemed to be working. The method of moving Equipment and the rates shall be subject to the approval of the Contract Administrator.

**GC 8.02.04.07 Payment for Hand Tools**

.01 Notwithstanding any other provision of this Section, no payment shall be made to the Contractor for or in respect of Hand Tools or equipment that are tools of the trade.

**GC 8.02.04.08 Payment for Work By Subcontractors**

.01 Where the Contractor arranges for Work on a Time and Material Basis, or a part of it, to be performed by Subcontractors on a Time and Material basis and has received approval prior to the commencement of such work, in accordance with the requirements of subsection GC 3.10, Subcontracting by the Contractor, the Owner will pay the cost of Work on a Time and Material Basis by the Subcontractor calculated as if the Contractor had done the Work on a Time and Material Basis, plus a markup calculated on the following basis:

a) 20% of the first $3,000; plus  
b) 15% of the amount from $3,000 to $10,000; plus  
c) 5% of the amount in excess of $10,000.

.02 No further markup will be applied regardless of the extent to which the work is assigned or sublet to others. If work is assigned or sublet to an associate, as defined by the Securities Act no markup whatsoever will be applied.

**GC 8.02.04.09 Submission of Invoices**

.01 At the start of the Work on a Time and Material Basis, the Contractor shall provide the applicable labour and Equipment rates not already submitted to the Contract Administrator during the course of such work.

.02 Separate summaries shall be completed by the Contractor according to the standard form "Summary for Payment of Accounts on a Time and Material Basis". Each summary shall include the order number and covering dates of the work and shall itemize separately labour, Materials and Equipment. Invoices for Materials, Rented Equipment and other charges incurred by the Contractor on the Work on a Time and Material Basis shall be included with each summary.

.03 Each month the Contract Administrator will include with the monthly progress payment certificate, the costs of the Work on a Time and Material Basis incurred during the preceding month all in accordance with the contract administrative procedures and the Contractor's invoice of the Work on a Time and Material Basis.

.04 The final "Summary for Payment of Accounts on a Time and Material Basis" shall be submitted by the Contractor within 60 Days after the completion of the Work on a Time and Material Basis.

**GC 8.02.05 Final Acceptance Certificate**

.01 After the acceptance of the Work the Contract Administrator will issue the Final Acceptance Certificate, or, where applicable, after the Warranty Period has expired. The Final Acceptance Certificate will not be issued until all known deficiencies have been adjusted or corrected, as the case may be, and the Contractor has discharged all obligations under the Contract.
GC 8.02.06 Payment of Workers

.01 The Contractor shall, in addition to any fringe benefits, pay the workers employed on the Work in accordance with the labour conditions set out in the Contract and at intervals of not less than twice a month.

.02 The Contractor shall require each Subcontractor doing any part of the Work to pay the workers employed by the Subcontractor on the Work in accordance with paragraph GC 8.02.06.01.

.03 Where any person employed by the Contractor or any Subcontractor or other person on the Work is paid less than the amount required to be paid under the Contract, the Owner may set off monies in accordance with clause GC 8.02.03.11, Owner's Set-Off.

GC 8.02.07 Records

.01 The Contractor shall maintain and keep accurate Records relating to the Work, Changes in the Work, Extra Work and claims arising therefrom. Such Records shall be of sufficient detail to support the total cost of the Work, Changes in the Work, and Extra Work. The Contractor shall preserve all such original Records until 12 months after the Final Acceptance Certificate is issued or until all claims have been settled, whichever is longer. The Contractor shall require that Subcontractors employed by the Contractor preserve all original Records pertaining to the Work, Changes in the Work, Extra Work and claims arising therefrom for a similar period of time.

.02 If, in the opinion of the Contract Administrator, Daily Work Records are required, such records shall report the labour and Equipment employed and the Material used on any specific portion of the Work. The Daily Work Records shall be reconciled with and signed by the Contractor's representative each day.

.03 The Owner may inspect and audit the Contractor's Records relating to the Work, Extra Work and Changes in the Work at any time during the period of the Contract. The Contractor shall supply certified copies of any part of its Records required whenever requested by the Owner.

GC 8.02.08 Taxes and Duties

.01 Where a change in Canadian Federal or Provincial taxes occurs after the date of tender closing for this Contract, and this change could not have been anticipated at the time of bidding, the Owner will increase or decrease Contract payments to account for the exact amount of tax change involved.

.02 Claims for compensation for additional tax cost shall be submitted by the Contractor to the Contract Administrator on forms provided by the Contract Administrator to the Contractor. Such claims for additional tax costs shall be submitted not less than 30 Days after the date of Final Acceptance.

.03 Where the Contractor benefits from a change in Canadian Federal or Provincial taxes, the Contractor shall submit to the Contract Administrator, on forms provided by the Contract Administrator, a statement of such benefits. This statement shall be submitted not later than 30 Days after Final Acceptance.

.04 Changes in Canadian Federal or Provincial taxes which impact upon commodities, which when left in place form part of the finished Work, or the provision of services, where such services form part of the Work and where the manufacture or supply of such commodities or the provision of such services is carried out by the Contractor or a Subcontractor, are subject to a claim or benefit as detailed above. Services in the latter context means the supply and operation of equipment, the provision of labour and the supply of commodities, which do not form part of the Work.
GC 8.02.09  Liquidated Damages

.01 When liquidated damages are specified in the Contract and the Contractor fails to complete the Work in accordance with the Contract, the Contractor shall pay such amounts as are specified in the Contract Documents.