



INDEPENDENT FIRST NATIONS ALLIANCE

LAC SEUL | WHITESAND | KITCHENUHMAYKOOSIB INNINUWUG | PIKANGIKUM | MUSKRAT DAM



WELCOME

The Independent First Nations Alliance (IFNA) provides advisory services to its member of five First Nations, Whitesand First Nation, Lac Seul First Nation, Muskrat Dam First Nation, Pikangikum First Nation, and Kitchenuhmaykoosib Inninuwug First Nation.





TECHNICAL
SERVICES



INTEGRATED
EMERGENCY
SERVICES



EDUCATION
SERVICES



HEALTH
SERVICES



FINANCE
SERVICES



STRATEGIC
COMMUNICATIONS



HUMAN
RESOURCES

MANDATE:

TO BUILD SELF-RELIANCE FOR MEMBER COMMUNITIES OF THE
INDEPENDENT FIRST NATIONS ALLIANCE.





TECHNICAL SERVICES

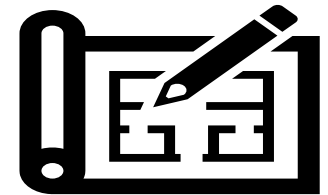
CONTRACT ADMINISTRATION



CONTRACT ADMINISTRATION

Introduction:

- Gary Wood, Asct.
- Technical Services Advisor
- 40 years of engineering and construction expertise
- Certified Contract Administrator





Contract Administration

- Project starts with tendering
- Vital that tendering done correctly to get the best Contractor possible
- Contract Administration is the process of overseeing the parts and pieces of a contract

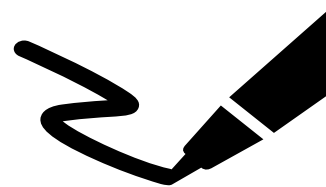


Contract

A contract is a legally binding agreement between parties detailing the scope of work, pricing, deadlines, responsibilities of each party and sets out clear expectations.

Contracts can be verbal or written.

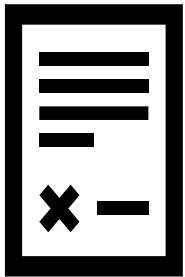
Written is always BEST.





CONTRACTS

To be a legal contract, there are six components required:



1. An offer
2. The acceptance
3. Parties' awareness
4. Have value
5. Ability to comply
6. Legality



Contract Administration

- What kind of contract do you want?
 - ✓ *comprehensive and concise*
 - ✓ *beneficial for both parties*
 - ✓ *addresses every scenario*
 - ✓ *strongly worded & with authority*
 - ✓ *successful*



Contracts

- Instruction to bidders
- Scope of work (be specific)
- Special conditions / limitations
- Construction site
- Servicing and utilities

Industry standard in Ontario



**CCDC2 2020
Stipulated Price**

or

**CCDC4 2023
Unit Price**



Contracts

CCDC covers the following:

- General requirements
- Responsibility of CA
- Execution of works
- Payment certificates
- Changes in scope
- Dispute resolution
- Insurance requirements



Contract Administrator

What makes a good Contract Administrator:

- Organization
- Firm but FAIR
- Precision and accuracy
- Understanding of the scope of work helps
- Education and training as asset



Contract Administration

- Why do you need a contract?
clear communication between parties
sets out the expectations
- What are the benefits to both parties?
protection
standardization
risk allocation
industry best practices



Contract Administration

- What types of contracts are there?
lump-sum, time & material, unit price
- Who oversees the contract?
Part 2 of the contract states "Consultant"
- When do I refer to my contract?
at every stage of the project
at every milestone event
at every change or dispute



Contract Administration

➤ How do I read a contract?

GC 9.5 MOULD

- 9.5.1 If the *Contractor* or the *Owner* observes or reasonably suspects the presence of mould at the *Place of the Work*, the remediation of which is not expressly part of the *Work*,
- .1 the observing party shall promptly report the circumstances to the other party in writing,
 - .2 the *Contractor* shall promptly take all reasonable steps, including stopping the Work if necessary, to ensure that no person suffers injury, sickness or death and that no property is damaged as a result of exposure to or the presence of the mould, and

CCDC 2 – 2020

22

Note: This contract is protected by copyright. Use of a CCDC 2 document not containing a CCDC 2 copyright seal constitutes an infringement of copyright. Only sign this contract if the document cover page bears a CCDC 2 copyright seal to demonstrate that it is intended by the parties to be an accurate and unamended version of CCDC 2 – 2020 except to the extent that any alterations, additions or modifications are set forth in supplementary conditions.



Contract Administration

- Shop Drawings
 - Easily overlooked
 - Can resolve problems before they arise
 - Product or manufacturer info/cut-sheet/dwg
 - Materials, sizes, colours, benefits, installation, etc
 - Sometimes it includes a physical sample
 - Both parties can agree on the end product
 - A good Contract identifies products to use
 - CA must follow the intent fairly



Contract Administration

- Change Orders/Extras/Credits
 - Something beyond the Contract is requested
 - Value / price is supplied
 - May include additional time
 - Parties agree
 - Agreement than forms part of the Contract
 - Sometimes items are removed



Contract Administration

- Extension of Time (GC 6.5)
 - Fixed date or stipulated time of period
 - Situations that impact the work
 - (weather, strikes, unknowns, changes)
 - Contractor will submit a request
 - CA will review and decide
 - Will form part of the Contract



Contract Administration

- Payment Certificates (Part 5)
 - Monthly or at set Milestones
 - Contractor submits an invoice, WSIB, 9A
 - CCDC 9A Statutory Declaration*
 - Work is verified
 - Invoice is valued against entire Contract
 - Hold-back amount is applied (typically 10%)
 - Letter of recommendation issued
 - Owner has typically 30 days to pay



Contract Administration

- Dispute Resolution (Part 8)
 - Disputes takes all forms
 - CA's role to resolve FAIRLY
 - Instruction to continue work
 - Negotiation, Mediation or Arbitration



Contract Administration

- Liquidated Damages (LDs)
 - This gets messy
 - Keep records
 - Not just a simple fixed amount
 - Must mitigate costs
 - Extremely hard to prove
 - Challenging to recoup



Contractual “Hammer”

➤ Defaults are tricky

PART 7 DEFAULT NOTICE

GC 7.1 OWNER’S RIGHT TO PERFORM THE WORK, TERMINATE THE CONTRACTOR’S RIGHT TO CONTINUE WITH THE WORK OR TERMINATE THE CONTRACT

- 7.1.3 If the default cannot be corrected in the 5 *Working Days* specified or in such other time period as may be subsequently agreed in writing by the parties, the *Contractor* shall be in compliance with the Owner’s instructions if the *Contractor*:
- .1 commences the correction of the default within the specified time,
 - .2 provides the *Owner* with an acceptable schedule for such correction, and
 - .3 corrects the default in accordance with the *Contract* terms and with such schedule.
- 7.1.4 If the *Contractor* fails to correct the default in the time specified or in such other time period as may be subsequently agreed in writing by the parties, without prejudice to any other right or remedy the *Owner* may have, the *Owner* may by giving *Notice in Writing*:
- .1 correct such default and deduct the cost thereof from any payment then or thereafter due the *Contractor* for the *Work* provided the *Consultant* has certified such cost to the *Owner* and the *Contractor*, or
 - .2 terminate the *Contractor’s* right to continue with the *Work* in whole or in part or terminate the *Contract*.



Contract Administration

➤ Termination

- Last resort
- Owner can complete the project
- Cost is a concern
- Hold-back funds may be accessed
- Legal challenge is likely



Contract Administration

- Project Close-out
 - Final inspection
 - Deficiencies
 - Clean-up
 - Training
 - Documentation
 - Spare parts
 - Warranties
 - Release of Hold-back funds



QUESTIONS.....



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