

### Appendix 3 – Special Provisions

The Standard Construction Document CCDC 2-2020 Stipulated Price Contract (Appendix 1), English version, consisting of the Agreement between *Owner* and *Contractor*, Definitions, and General Conditions of the CCDC 2 - 2020 Stipulated Price Contract, Parts 1 to 13 inclusive, Supplementary Conditions to CCDC 2-2020 Stipulated Price Contract (Appendix 2), governing same is hereby made part of these *Contract Documents*, with the following amendments, additions and modifications.

#### DEFINITIONS

Amend the definition of *Work* by adding to the end the following:

The *Work* includes coordinating the termination of services installed as part of the *Work* as well as the connection of these services with other services installed as part of the *Other Work* under separate contracts which comprise the *Project*. For the sake of clarity, the *Work* does not include the *Other Work*.

Add the following definitions:

#### ***Construction Act***

*Construction Act* means the *Construction Act*, R.S.O. 1990, c. C.30, as amended.

#### PART 11 INSURANCE

Revise the heading to the following:

#### PART 11 INSURANCE AND CONTRACT SECURITY

#### GC 11.1 – INSURANCE

Delete section GC 11.1 in its entirety and substitute new section 11.1 as follows:

Prior to the commencement of the Contract, and for the entire duration thereof, the Contractor shall, at its own expense, obtain and maintain insurance coverage as follows:

1. **General liability insurance** shall be with limits of not less than \$5,000,000 per occurrence, an aggregate limit of not less than \$5,000,000 within any policy year with respect to completed operations, and a deductible not exceeding \$5,000. The insurance coverage shall not be less than the insurance provided by IBC Form 2100 (including an extension for a standard provincial and territorial form of non-owned automobile liability policy) and IBC Form 2320. To achieve the desired limit, umbrella or excess liability insurance may be used. Subject to satisfactory proof of financial capability by the *Contractor*, the *Owner* may agree to increase the deductible amounts.

The insurance policy shall include coverage for, but not be limited to, bodily injury including death, personal injury, broad form property damage including loss of use thereof, contractual liability, owners and contractors' protective liability, products and completed operations liability, contingent employers' liability, and contain a cross liability, severability of interest clause. If the *Work* includes Hot Work (ie., torch on membrane or hot tar), the policy shall have no exclusions for Hot Works or other roofing-related operations.

The policy shall be in the name of the *Contractor* and be endorsed to name, the *Owner* and the *Consultant* as additional insureds but only with respect to liability, other than legal liability arising out of their sole negligence, arising out of the operations of the *Contractor* with regard to the *Work*. General liability insurance shall be maintained from the date of commencement of the *Work* until one year from the date of *Ready-for-Takeover*.

2. **Automobile liability insurance** in respect of vehicles that are required by law to be insured under a contract by a Motor Vehicle Liability Policy, shall have limits of not less than \$2,000,000 inclusive per occurrence for bodily injury, death and damage to property, covering all vehicles owned or leased by the *Contractor*. Where the policy has been issued pursuant to a government-operated automobile insurance system, the *Contractor* shall provide the *Owner* with confirmation of automobile insurance coverage for all automobiles registered in the name of the *Contractor*.

The policy shall be in place from the date of commencement of the *Work* until one year after the date of *Ready-for-Takeover*.

3. **"Broad form" property insurance** shall have limits of not less than the sum of 1.1 times *Contract Price* and the full value, as stated in the *Contract*, of *Products* and design services that are specified to be provided by the *Owner* for incorporation into the *Work*, with a deductible not exceeding \$10,000. The insurance coverage shall not be less than the insurance provided by IBC Forms 4042 and 4047 or their equivalent replacement. Subject to satisfactory proof of financial capability by the *Contractor*, the *Owner* may agree to increase the deductible amounts. The "broad form" property insurance shall be in the joint names of the *Contractor*, the *Owner* and the *Consultant*. The policy shall include as insureds all *Subcontractors*. The "broad form" property insurance shall be provided from the date of commencement of the *Work* until 10 calendar days after the date of *Ready-for-Takeover*;  
The policy shall not allow subrogation claims by the Insurer against the *Owner*.

In the event of a loss or damage, payment shall be made to the *Owner* and the *Contractor* as their respective interests may appear. In the event of loss or damage:

- (1) the Contractor shall act on behalf of the Owner 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 Consultant may recommend in consultation with the *Contractor*;
- (2) the Contractor shall be entitled to receive from the Owner, in addition to the amount due under the Contract, the amount 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 in accordance with the progress payment provisions. In addition, the Contractor shall be entitled to receive from the payments made by the insurer the amount of the Contractor's interest in the restoration of the *Work*;

(3) to the Work arising from the work of the Owner, the Owner's own forces or Other Contractors, the Owner shall, in accordance with the Owner's obligations under the provisions relating to construction by the Owner or Other Contractors, pay the Contractor the cost of restoring the Work as the restoration of the Work proceeds and as in accordance with the progress payment provisions; and

(4) if any loss occurs involving damage to property in an amount greater than \$25,000.00, bodily injury to any person, or damage to any existing structure, the Contractor shall, in addition to the other requirements set out herein, immediately provide a detailed written report to the Owner.

4. **Boiler and machinery insurance** shall have limits of not less than the replacement value of the permanent or temporary boilers and pressure vessels, and other insurable objects forming part of the *Work*. The insurance coverage shall not be less than the insurance provided by a comprehensive boiler and machinery policy including hot testing and commissioning.

The boiler and machinery insurance shall be in the joint names of the *Contractor*, the *Owner* and the Consultant. The policy shall include as insureds all Subcontractors. The coverage shall be maintained continuously from commencement of use or operation of the boiler and machinery objects insured by the policy and until 10 calendar days after the date of *Ready-for-Takeover*.

5. **Contractors' equipment insurance** coverage written on an "all risks" basis covering Construction Equipment used by the *Contractor* for the performance of the *Work*, shall be in a form acceptable to the *Owner* and shall not allow subrogation claims by the insurer against the Owner. Subject to satisfactory proof of financial capability by the Contractor for self- insurance, the Owner may agree to waive the equipment insurance requirement.

The policy shall be in place from the date of commencement of the *Work* until one year after the date of *Ready-for-Takeover*.

Where applicable, the *Contractor* shall:

1. Prior to the commencement of the *Contract*, and for the entire duration thereof, the *Contractor* shall obtain and maintain insurance coverage as outlined in the Owner's Special Provisions.
2. The *Contractor* shall be entirely responsible for the cost of any deductible maintained in any insurance policy.
3. If the *Contractor* fails to provide or maintain insurance as required by the *Contract Documents*, then the *Owner* shall have the right to provide and maintain such insurance and give evidence to the *Contractor* and the *Consultant*. The *Contractor* shall pay the cost thereof to the *Owner* on demand or the *Owner* may deduct the cost from the amount which is due or may become due to the *Contractor*.
4. All required insurance policies shall be with insurers licensed to underwrite insurance in the Province of Ontario.
5. The *Contractor* shall not commence work under the *Contract* until evidence of insurance, preferably on the Owner's [Certificate of Insurance form](#) has been completed and filed with, and approved by the *Owner*;
6. The policies shown above shall be endorsed to provide the *Owner* with not less than thirty (30) days written notice of cancellation, change or amendment restricting coverage. However, if for any reason the insurer, on behalf of the *Contractor*, cannot endorse their policies to provide the *Owner* with not less than thirty (30) days written notice of cancellation, change or amendment restricting coverage, the responsibility thereof shall automatically transfer to the *Contractor* and becomes the *Contractor's* strict obligation to deliver to the *Owner* by registered

mail with not less than thirty (30) days written notice of cancellation, change or amendment restricting coverage;

7. The *Contractor* shall provide evidence of the continuance of this insurance at each policy renewal date, or notice if the policies have been amended or extended, all or any part of the insurance, for the duration of the *Contract*. If required by the *Owner*, the *Contractor* shall provide certified true copy(s) of the policy(s) certified by an authorized representative of the insurer together with copies of any amending endorsements applicable to the Work;
8. The *Owner* reserves the right to request such higher limits of insurance or other types of policies appropriate to work as the *Owner* may reasonably require; and
9. All policies shall apply as primary and not as excess of any insurance available to the *Owner*.

<u>Add</u> new GC 11.2 as follows:
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#### **GC 11.2 – CONTRACT SECURITY**

11.2.1 Upon execution of the *Contract*, the *Contractor* shall provide to the *Owner*:

- .1 a performance bond in the amount as stated in the Pre-Condition of Award section of the RFP issued by the *Owner*;
- .2 a labour and material payment bond in the amount as stated in the Pre-Condition of Award section of the RFP issued by the *Owner*.

#### **GC 12.3 – WARRANTY**

<u>Add</u> new paragraph 12.3.13 as follows:
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12.3.13 The *Owner* will maintain a 3% warranty holdback from the total amount of *Work* completed to date on each certificate for payment until all warranty work deficiencies have been completed. Once all warranty work has been completed to the satisfaction of the *Owner*, the 3% warranty holdback amount will be released to the *Contractor* with the final certificate for payment as approved by the *Consultant*. Should the deficiencies not be rectified as required by paragraph 12.3.7, the *Owner* may retain from this warranty holdback its costs to complete the necessary repairs or replacements.

#### **GC 14.4 – RECORDS, DAILY REPORTS, AND DAILY LOGS**

<u>Add</u> new GC 14.4.2 as follows:
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14.4.2 The *Contractor* shall prepare and maintain a daily site log or diary, which shall include the following:

- .1 daily weather conditions and temperatures at the *Place of the Work*;
- .2 the number of workers of the *Contractor*, *Subcontractors*, *Suppliers*, and any other forces at the *Place of the Work*;
- .3 the *Construction Equipment* at the *Place of the Work*;
- .4 the descriptions and quantities of *Products* delivered and utilized; and
- .5 the general nature of *Project* activities and the *Work*.

Such log or diary shall also record any extraordinary or emergency events which may occur and also the identities of any persons who visit the *Place of the Work* who are not part of the day-to-day workforce. The *Contractor* shall also take or arrange for the taking of photographs at the *Place of the Work* to record the progress of the *Work*.

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