

SGC 1.0 HARMONIZED SALES TAX

In reference to: **GC 22 TAXES AND DUTIES**

For a Stipulated Price Contract, all taxes and duties shall be added according to GC 22 of the General Conditions and the HST, payable by the Owner under this contract, shall be deemed to be included in the tendered amount in Clause 1 of the Tender Form. HST is applicable to all municipal projects.

SGC 2.0 CONTRACTOR'S LIABILITY FOR ENGINEERING SUPERVISION COSTS

Add article: **GC 48 ASSESSMENT AND DAMAGES FOR LATE COMPLETION**

For purposes of this General Condition

- (a) The work shall be deemed to be completed on the date that a Certificate of Substantial Performance referred to in GC 21.6 is issued, and
- (b) "Period of delay" means the number of days commencing on the day fixed by the Articles of Agreement for completion of the work and ending on the day immediately preceding the day on which the work is completed but does not include any day in which, in the opinion of the Consultant, completion of the work was delayed for reasons beyond the control of the Contractor.

If the Contractor does not complete the work by the day fixed for its completion by the Articles of Agreement but completes it thereafter, the contractor shall pay the Owner an amount equal to the aggregate of;

- (a) all salaries, wages and travelling expenses incurred by the Owner in respect of persons overseeing the performance of the work during the period of delay, and
- (b) all other expenses and damages incurred or sustained by the Owner during the period of delay as a result of the work not being completed by the day fixed for its completion.

Substantial Performance of part of the work shall not relieve the Contractor of their liabilities under this clause.

SGC 3.0 WORK PLACE NL CERTIFICATE

Before entering into a contract the successful bidder is required to submit to the Owner a certificate from the Worker's Compensation Commission to the effect that the bidder is in good standing with the Commission. The Contractor is required to provide the Owner with a similar certificate before approval of the final payment.

SGC 4.0 INTEREST ON LATE PAYMENT

In reference to: **GC 21 CERTIFICATES & PAYMENTS**

In reference to article 21.3 change the interest rate from “9% per annum” to “prime +1% per annum”.

SGC 5.0 INSURANCE

In reference to: **GC 26 LIABILITY INSURANCE and GC 27 PROPERTY INSURANCE**

The existing GCs are to be replaced with the following:

GC 26 LIABILITY INSURANCE

26.1 Commercial General Liability Insurance

- (a) Without restricting the generality of GC 17 - Indemnification, the Contractor shall provide and maintain, either by way of a separate policy or by an endorsement to their existing policy, Commercial Liability Insurance acceptable to the Owner inclusive per occurrence for bodily injury, death, and damage to property including loss of use thereof.
- (b) This insurance shall include as an additional insured the Owner and Department. The Contractor shall not commence any work until he obtains, at their expense, all required insurances as specified. Such insurance must have the approval of the Prime Consultant and be to the limits, form and amounts specified. The Contractor will not permit any subcontractor to commence work on this project until the same insurance requirements have been complied with by the subcontractor. To avoid duplication of coverage, if the work of the subcontractor requires insurance specific to the operations of the subcontractor, such as items outlined in clause 26.1(d) 10), it will be sufficient for the General Contractor to be named as additional insureds on the policy of the subcontractor for the duration of the contract awarded to the subcontractor.
- (c) The insurance shall also include as Unnamed Insureds the architectural and engineering consultants of the Owner and Department where applicable with respect to work performed by the Contractor, but excluding professional liabilities associated with such architectural and engineering consultants.
- (d) The Commercial General Liability Insurance will not be limited to, but shall include coverage for:

- 1) premises and operations liability
- 2) products or completed operations liability
- 3) blanket contractual liability
- 4) broad form property
- 5) cross liability
- 6) elevator and hoist liability
- 7) contingent employer's liability
- 8) personal injury liability
- 9) liability with respect to non-owned licensed vehicles
- 10) shoring, blasting, excavating, underpinning, demolition, pile driving and caisson work, work below ground surface, tunneling and grading, **as applicable only**

26.2 Automobile Liability Insurance

The Contractor shall provide and maintain liability insurance in respect of (i) owned licensed vehicles and (ii) leased vehicles, subject to limits set out in the Certificate of Insurance Form in the contract and Supplementary General Conditions inclusive.

26.3 Aircraft and Watercraft Liability Insurance

The Contractor shall provide and maintain liability insurance with respect to owned and non-owned aircraft and watercraft, as may be applicable, subject to limits set out in the Supplementary General Conditions inclusive. Such insurance shall be in the names of the Contractor, Her Majesty the Queen in the right of Newfoundland, the Owner and the Architect/Engineer as defined in 26.1(b) and (c) where they have an insurable interest in the use and operation of such aircraft and watercraft.

26.4 Completed operations insurance shall be maintained continuously until twelve (12) months after the date the Architect/Engineer issues a Certificate of Substantial Performance.

26.5 All insurance policies shall contain an endorsement requiring notification of the Named Insured, Her Majesty and the Owner, in writing, thirty (30) days prior to cancellation of any policy or material change except in the event of non-payment where policy conditions dealing with termination will apply.

GC 27 PROPERTY INSURANCE

27.1 The Contractor shall provide and maintain property insurance, acceptable to Her Majesty the Queen in the Right of Newfoundland and the Owner insuring the full value of the work in the amount of the contract price and the full value as stated of products for incorporation into the work. The insurance shall include as additional insured Her Majesty the Queen in the Right of Newfoundland and the Owner.

27.2 Such coverage shall be provided for by **either** Broad Form Builders' Risks Policy **or** an Installation Floater **or** Piers, Wharves, and Docks Rider.

27.3 The policies shall insure on a Broad Form basis direct loss or damage subject to any exclusions specified in the Supplementary General Condition. Such coverage shall apply to:

- (a) All products, labour, and supplies of any nature whatsoever, the property of the Insureds or of others for which the Insureds may have assumed responsibility, to be used in or pertaining to the site preparations, demolitions of existing structures, erections and/or fabrication and/or reconstruction and/or repair of the insured project, while on the site or in transit, subject to the exclusion of the property specified.
- (b) The installation, testing and any subsequent use of machinery and equipment including boilers, pressure vessels or vessels under vacuum.
- (c) Damage to the work caused by an accident to and/or the explosion of any boiler(s) or pressure vessel(s) forming part of the work.

Such coverage shall exclude construction machinery, equipment, temporary structural and other temporary facilities, tools, and supplies used in the construction of the work and which are not expendable under the contract.

27.4 Policies provided shall contain an endorsement requiring notification of the Named Insured, Her Majesty and the Owner, in writing, thirty (30) days prior to cancellation of any policy or material change of coverage except in the event of non-payment where policy conditions dealing with termination will apply.

27.5 All such insurance shall be maintained continuously until the date the Architect/Engineer issues a Certificate of Substantial Performance. All such insurance shall provide for the Owner to take occupancy of the work or any part thereof during the term of the insurance. Any increase in the cost of this insurance arising out of such occupancy shall be at the Owner's expense.

27.6 The policies shall provide that in the event of a loss, payment for damage to the work shall be made to the Owner and the Contractor as their respective interests may appear. The Contractor shall act on behalf of the Owner and himself for the purpose of adjusting the amount of such loss with the Insurers. On the determination of the extent of the loss, the Contractor shall immediately proceed to restore the work and shall be entitled to receive from the Owner (in addition to any sum due under the contract) the amount at which the Owner's interest in the restoration work has been appraised, such amount to be paid as the work of restoration proceeds and in accordance with the Engineer/Architect's certificates for payment. 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 time for Substantial and Total Performance of the work as the Engineer/Architect may decide.

27.7 The Contractor shall be responsible for any deductible amounts under the policies and for providing such additional insurance as may be required to protect the insureds against loss on items excluded from the policies.

Contractors are also advised that tender documents contain a Certificate of Insurance indicating type and limit of liability of insurance required for this project. The successful bidder will be required to have the Certificate of Insurance completed by their insurance company and deliver it to the Owner and/or the Department within 30 days after the award of the contract or before construction commences.

SGC 6.0 INSURANCE REQUIREMENTS

In reference to: **GCs 26, 27 and Insurance Certificate**

- (a) The Contractor shall not commence any work until he obtains, at their expense, all required insurances as specified. Such insurance must have the approval of the Engineer and be to the limits, form and amounts specified. The Contractor will not permit any Subcontractor to commence work on this Project until the same insurance requirements have been complied with by such subcontractors.

- (b) The Contractor shall provide certification from an Insurance Company, licensed to do business in the Province of Newfoundland & Labrador, or its agent giving the following details of a Comprehensive or General Liability Policy:
 - 1. Company's Name;
 - 2. Policy Number;
 - 3. Minimum limit of \$2,000,000.00 inclusive for all claims for Bodily Injury or Property Damage arising from one accident. Reduced limits for any part of the coverage is not acceptable.
 - 4. A deductible up to a maximum amount of \$5,000.00 will be permitted on blasting and demolition with the Contractor paying the deductible amount of each claim.
 - 5. The policy shall include the Consultant, Her Majesty the Queen in right of Newfoundland & Labrador and the Owner (where applicable) as additional Insureds and shall also include the Cross Liability Clause.

- (c) The Contractor shall provide certification from an Insurance Company, licensed to do business in the Province of Newfoundland & Labrador, or its agent, giving the following details of a Standard Automobile Policy Liability Coverage:

1. Company's Name;
 2. Policy Number;
 3. Occupation or business described in the policy;
 4. A minimum limit of \$2,000,000.00 inclusive for all claims for Bodily Injury or Property Damage arising from one accident.
 5. Schedule of vehicles or a statement taken from the policy that all vehicles are covered.
- (d) 1. On all applicable structures in the Contract, the Contractor shall provide the original of a "Broad Form Builders' Risk Policy" to the value of the structures. Such insurance may have a deductible clause but amount of deductible shall not exceed \$2,500.00.
2. The interest of the Subcontractors are to be specifically included in the policy and the policy shall contain the following clause:
"Loss, if any, payable to the Owner and the Insured, as their respective interests may appear."
 3. The policy is to be written to expire no sooner than the completion date specified in the Contract and shall be extended and kept in force during any Period of Delay.
 4. The Contractor further agrees that so much of the money due to him under and by virtue of this Contract as shall be considered necessary by the Owner may be retained by the Owner until all such suits or claims for damages shall have been settled and evidence to that effect furnished to the satisfaction of the Owner.
 5. If the Contractor should fail to effect and keep in force the policies referred to, or any other insurance which may be required to effect under the terms of the Contract, the Owner may effect and keep in force any such insurance and pay the premiums necessary for the purpose and from time to time deduct the amount so paid from any payments due to the Contractor to recover the same as a debt due from the Contractor.

SGC 7.0 TENDER SURETY AND BONDING FOR MATERIALS SUPPLY ONLY CONTRACTS

In reference to: **GC 30 BONDS**

- 30.6.1) Bid security in the amount of 10% of the contract price and performance security in the amount of 50% of the contract amount is required on contracts for supply of materials. Labour and Material Payment security is not required. The Performance security may be released 30 days after the date of substantial performance of a material supply contract.
- 30.6.2) In lieu of a Performance Bond or Bid Bond, the Minister may, at their sole discretion, approve the acceptance of a certified cheque for 10% of the tendered amount. The cheque will be deposited by the Owner until satisfactory completion of the work including the 30 day Mechanics Lien period, after which this amount will be returned to the contractor with the accrued interest thereon. There will be no limit on the value of a tender for which certified cheques may be used.
- 30.6.3) No bid security or bonding will be required for the supply of vehicles or earth moving equipment.

SGC 8.0 SUBSTANTIAL PERFORMANCE

In reference to: **GC 1 DEFINITIONS**

Add the following paragraph to 1.10, Substantial Performance: where the work or a substantial part thereof is ready for use or is being used for the purpose intended and where the work cannot be completed expeditiously for reasons beyond the control of the contractor, the value of the work to be completed shall be deducted from the contract price in determining substantial performance.

SGC 9.0 LIQUID ASPHALT COST ADJUSTMENT

- (a) Adjustments will be made to progress estimates to compensate for changes in liquid asphalt prices at time of tender and prices in effect during construction. Increases or decreases in excess of **5%** of the Benchmark Tender Price will be paid or deducted accordingly. The governing price will be the average price quoted by local suppliers on the 20th of each month. This adjustment will include any changes in taxes outlined in GC 22.2.
- (b) The benchmark price shall be the average monthly price quoted by local suppliers for the month in which the tender closed. The adjustments shall be computed based on changes in the average monthly price in excess of or less than this benchmark at time of production. The Engineer shall then calculate the adjustment to be stated in the Monthly Progress Estimates.

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- (c) The liquid asphalt cost adjustment shall be calculated using the quantity of the item added to the progress estimate since the last estimate. In cases where liquid asphalt is included in the price of Asphalt Concrete, the liquid asphalt quantity will be determined using the mix design.

SGC 10.0 FEDERAL/PROVINCIAL FUNDED PROJECTS

For Federal/Provincial funded projects the following should apply:

- (a) No former Federal public office holder who is not in compliance with the post-employee code for public office holders shall be permitted to benefit on this project.
- (b) No member of the House of Commons or Senate of Canada or the House of Assembly of Newfoundland shall be permitted to benefit on this project.
- (c) Her Majesty the Queen in right of Canada shall be added as an additional named insured in GC 26.1.a and 26.1.b Commercial General Liability Insurance and in GC 27.1 Property Insurance and in SGC 6.2.5 Insurance Requirements.

SGC 11.0 PETROLEUM PRODUCTS COST ADJUSTMENT

Adjustment will be made to progress estimates to compensate for changes in fuel prices at time of tender closing and prices in effect during construction. Increases or decreases in excess of 10% of the Benchmark Tender Price will be paid or deducted accordingly. The governing price will be the price, for the zone in which the majority of the contract is being carried out, established by the Petroleum Products Pricing Commissioner on the 15th of each month and will apply for the period from the 21st of that month to the 20th of the following month. This adjustment will include any changes in taxes outlined in GC 22.2.

The adjustment for fuel cost variation shall apply only to those items given in the accompanying list. For other tender items, there will be no fuel cost adjustments.

The benchmark price shall be the price established by the Petroleum Products Pricing Commissioner at time of tender. The adjustments shall be computed based on changes in the monthly price in excess of or less than this benchmark at time of production. The Engineer shall then calculate the adjustment to be stated in the Monthly Progress Estimate.

For the contract items included in the accompanying list, the fuel cost adjustment shall be calculated using the quantity of the item added to the progress estimate since the last estimate.

The fuel cost adjustment shall be credited to, or debited from, the progress estimate depending on whether the prices during construction are higher than, or less than, the benchmark at time of tender closing.

- (a) Mass Excavation Common Material shall include: site work and grading; excavation, trenching and backfilling; and roadway excavation, embankment and compaction.
- (b) Mass Excavation Solid Rock shall also include: Ditching Solid Rock; Quarried Rock; Rock Fill in Place; and Excavation for Foundation Solid Rock.
- (c) If the granular material or asphalt aggregate is produced from a rock quarry source, an additional 1.0 l/t of clear diesel fuel will be added to the quantity shown in the table.

Contract Item	NOMINAL FUEL CONSUMPTION RATE (liters)		
	Clear Diesel Fuel	Furnace Oil	Marked Diesel Fuel
Mass Excavation Common & Imported Common (1)	2.0/m ³	N/A	N/A
Mass Excavation Solid Rock (2)	4.0/m ³	N/A	N/A
Trench Excavation: Common Material (3)	5.0 l/m ³	N/A	N/A
Trench Excavation: Rock (4)	10.0 l/m ³	N/A	N/A
Granular Material	1.0/t	N/A	1.0/t
Asphaltic, Base Surface & Levelling Courses (5)	1.0/t	11.0/t	2.0/t

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