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1.0 Introduction

Under the governance of National Project Management System, there was a requirement to produce a Contracting Procedure but considering the complexity and the level of information relating to the subject, a manual was produced.

The Manual will provide assistance to the Project Management community for the procurement of Consultant and Construction Services. Although the contractual clauses are addressed in the PWGSC Standard Acquisitions Conditions and Clauses (SACC) manual, it does not provide the guidance, tools and techniques for Procurement Management.

The Project Manager must work closely with the Real Property Contracting Officer to determine the best strategy possible to acquire either Architectural and Engineering services, professional services or construction services.
2.0 Objectives

The objective of the Procurement Management Manual is to provide tools and techniques to:

- acquire architectural and engineering services, professional services, constructions services in a manner that enhances access, competition and fairness and results in best value to PWGSC.

Treasury Board Contracting Policy requires that government contracting facilitate access to federal opportunities, encourage competition and reflect fairness in the spending of public funds. Therefore, whenever possible and appropriate, contractors/consultants are to be selected using a competitive process open to as many interested bidders as possible.

The Government Contracts Regulations require the soliciting of offers, commonly called bids, before any contract is awarded. No work on a project can be performed until an offer has been received and accepted, and a contract issued.

While providing support to meet the mandate of the organization, the Procurement process will ensure that Contracting Authorities and Technical Authorities:

- comply with the government's obligations under the North American Free Trade Agreement, the World Trade Organization - Agreement on Government Procurement and the Agreement on Internal Trade
- conduct contracting in a manner that will stand the test of public scrutiny in matters of prudence and probity, facilitate access, encourage competition, and reflect fairness in the spending of public funds
- ensure adherence and consistent application of Government Contract Regulations
- mitigate against risk and liability
- apply uniform interface with private sector firms

For constructions services, the thresholds are:

- Agreement on Internal Trade (AIT) $100K
- North American Free Trade Agreement (NAFTA) $9.9M
- World Trade Organization Agreement on Government Procurement (WTO-AGP) $8.5M

For consulting services, the thresholds are:

- Agreement on Internal Trade (AIT) $100K
- North American Free Trade Agreement (NAFTA) $76.6K ($75K current practice)
- World Trade Organization Agreement on Government Procurement (WTO-AGP) $221.3K

3.0 Real Property Context

PWGSC has two primary organizations involved in the procurement process under the Government Contract Regulations, namely the Real Property Branch (RPB) acting as the Technical Authority and Real Property Contracting (RPC), acting as the Contract Authority. RPB is responsible for the definition, administration and management of services and ensuring 'value for money' while RPC is responsible for the integrity and the fairness in all procurement processes. RPB has developed a working relationship with RPC to include their staff on the project team early in the planning stages of a project to advise on procurement strategies.

RPB and RPC have also developed working relationships and business specific procurement practices with the Canadian Construction Association (CCA), the Royal Architectural Institute of Canada (RAIC), the Association of Canadian Engineering Canada (ACEC) and the Interior Designers of Canada (IDC). The terms and conditions of PWGSC real
property contracts and procurement processes have been established in consultation with these organizations resulting in standard terms and conditions for contracts as well as standard sourcing and solicitation processes.

In the context of Real Property, RPB engages three types of standard services through contracts:

- Professional and technical services (i.e. soils testing, air balancing, etc.)
- Architectural and engineering services (i.e. designing a building)
- Construction services (i.e. constructing a building, highway, bridge, etc.)

Each of these service types has a procurement process that has specific definitions, regulations, systems, processes and approval process based on dollar limits. These are imposed by legislation (i.e. trade agreements), Government Contract Regulations, Treasury Board, business specific practices, PWGSC policies etc. The structure is intended to provide checks and balances in order to ensure that contracting is conducted with prudence and probity and that the principles of openness, integrity and transparency are upheld.

3.1 Accountability Framework for the Management of Real Property Contracting

3.1.1 Roles and Responsibilities between Real Property Branch and Parliamentary Precinct Branch - Project and Property Managers and Acquisitions Branch - Real Property Contracting Officers

PWGSC’s Real Property Branch (RPB), Parliamentary Precinct Branch (PPB) and Acquisition Branch (AB) work cooperatively to ensure that real property projects and services are being delivered and their related supporting contracts are being put in place. Each party must work together to ensure smooth operations and thus, there can be no confusion over roles and responsibilities.

The intent of this section is to clearly identify the accountabilities of RPB/PPB Project and Property Managers and AB Real Property Contracting (RPC) Officers.

Accountability for the management of real property contracts is with RPB/PPB, and more particularly with the Project Manager or the Property Manager who plays a central role as the “Technical Authority” for the relevant contract. Whether identified as the “Departmental Representative” or the “Technical Authority,” the RPB/PPB individual acts as the principal point of contact between the Department and the private sector for issues related to the management of real property contracts, including the evaluation of the private sector’s performance.

AB is responsible for providing procurement-related common services to federal government departments and agencies (including itself, PWGSC). RPC as part of AB acts as the “Contracting Authority” and, as such, supports the Technical Authority by performing contracting functions, including: managing the solicitation process, awarding contracts, producing contract amendments, monitoring contractual compliance, and providing contractual advice on financial, legal and insurance issues, as well as in the areas of dispute resolution and contract renewal.

CONTEXT

This Accountability Framework is consistent with the principles for effective accountability identified by the Auditor General for Canada. The principles are based on the understanding that accountability is a relationship based on the obligations to demonstrate and take responsibility for performance in light of agreed expectations. The principles are:

**Clear responsibilities:** The responsibilities of the parties in the accountability relationship should be well understood and agreed to;

**Clear performance expectations:** The objectives being pursued, the accomplishments expected and the rules to be followed should be explicit, understood and agreed to by RPB/PPB and AB;
**Balanced expectations and capacities:** The performance expectations should be balanced by the commensurate capacities (authorities, skills, and resources) of each party;

**Credible reporting:** Credible and timely information should be shared to further demonstrate the performance achieved and what has been learned;

**Reasonable review and adjustment:** Enlightened and informed review and feedback on the performance achieved should be carried out by the accountable parties, where achievements and difficulties are recognized and necessary corrections made.

Accountability can exist in relationships other than hierarchical ones, even when there is no actual “conferring” of responsibility. Accountability is assumed and agreed to by each party in a recognized accountability relationship, as in the traditional case, when one party delegates responsibilities to the other.

¹ Developed and created by Real Property Contracting.

**ACCOUNTABILITIES**

Below is a summary of the key accountabilities of each party. Shown on the following pages are tables identifying detailed accountabilities applicable to RPB/PPB and RPC.

**The RPB/PPB Technical Authority**

Is accountable to deliver the project. The RPB/PPB Technical Authority is responsible for but not limited to, the following items:

- Is accountable to deliver the project in terms of scope, quality, schedule and budget;
- Clearly identifying the project scope and requirements;
- Obtaining project approvals and funding (Preliminary Project Approval, Effective Project Approval) prior to RPC posting of the Notice of Proposed Procurement;
- Defining the overall intended procurement strategy (in consultation with RPC when necessary);
- Identifying the project risks and development of a Risk Management Plan;
- Developing a complete statement of work (SoW) fully describing the work/services to be performed by the contractor/consultant. (Project Brief, drawings and specifications, etc.);
- Proposing a selection process (e.g. evaluation criteria, pre-qualification, etc.);
- Preparation and submission of a funded requisition (9200);
- Providing RPC with all the necessary information related to the program and the project requested in order that PWGSC may conduct its internal contracting processes;
- Developing any amendments necessary to clarify or amend the original SoW for distribution by PWGSC;
- Evaluate and certify the adequacy of the technical component of a tender/proposal prior to contract award;
- Participate in debriefing sessions chaired by PWGSC, when requested by bidders;

Managing the contract by:

- Acting as the principal point of contact with the private sector firm awarded a contract;
- Performing the duties of the Departmental Representative as described in the terms and conditions of the contract as and where they apply to matters related to scope, quality, schedule and budget;
• Managing the work/services in a competent and professional manner and in accordance with established Departmental/TB policies and guidelines;

• Ensuring that all applicable federal, provincial and municipal Acts, regulations and policies applicable to the project are enforced particularly as they relate to building codes and standards, environmental issues, health and safety, Workplace Hazardous Materials Information System, licensing, building permits etc.;

• Monitoring the private sector firm’s performance and accepting and/or rejecting the work;

• Preparing progress reports and to certify the progress of the work/services and to issue payment in accordance with the terms of the contract;

• Communicating project status;

• Managing project risks;

• Certifying that any price quotations received from the contractor/consultant for additional work/services are fair and reasonable (as required by the Financial Administration Act);

• Negotiating and documenting contract amendments to be issued by RPC. No work to be authorized until contract/contract amendment is issued by the RPC contracting authority;

• Leading any claims negotiations and dispute resolution and to fund any settlements that may reached as a result of the performance of the work/service;

• Evaluating the firm’s performance prior to contract close-out inclusive of providing relevant supporting documentation. Consultant/Contractor Performance Evaluation Report Form (CPERF) must be completed and sent to Contracting Officer;

• Closing out the project and financial files on the contract.

The Acquisitions (RPC) Contracting Officer

Is the delegated “Contract Authority” for the contract and is responsible for, but not limited to the following:

• Ensuring that the contracting process and the management of the contract is undertaken:
  - According to federal regulations and policies,
  - In a fair, transparent and prudent fashion, in support of the guiding principles for procurement,
  - Ensuring best value to the taxpayer,
  - By monitoring and evaluating contractual compliance,
  - Obtaining contracting approvals within the department and/or Treasury Board.

• Providing advice, direction, and updates to the Technical Authority on:
  - Commencement of the work on receipt of key deliverables such as Insurance and bonding,
  - Contracting requirements and strategies including seeking legal advice,
  - Contract administration,
  - Contract management issues, claims, dispute resolution, Canadian International Trade Tribunal (CITT) hearings and contract terminations,
  - Dealing with Bonding Companies.

• Preparing the non-technical component of the contract documentation, in close consultation with RPB/PPB including:
  - Preparation of tender documents to suit, technical drawings and specifications prepared by RPB/PPB,
  - Requests for Proposals, Tender Solicitations, etc.,
  - Authority to enter into contracts, final contract documents,

• Contract Management by:
  - Issuing official amendments to the contract as negotiated by RPB/PPB and/or RPC
- Issuing official warnings and notices of non-compliance to firms, notices of suspension and notices of termination, etc.
- Obtaining a CPERF from the Technical Authority and placing it on the contract file
- Obtaining a final Compliance certificate from the Technical Authority and placing it on the contract file.

### 3.1.2 Chart of Responsibilities

The following chart identifies key activities and associated responsibilities during the development and delivery of a real property contract. The responsibilities are identified for both Technical (RPB/PPB) and Contracting (RPC) Authorities as one of the following responsibilities:

- **Primary (P)**
- **Joint (J)**
- **Support (S)**
- **Validation (V)**
- **No involvement (-)**

#### Planning / Front End Phase

<table>
<thead>
<tr>
<th>Activity</th>
<th>Technical Authority</th>
<th>Contracting Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Identification of Requirement</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>• Scope of Work</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>• Business Case development - Preliminary Cost and Schedule</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>• Development of Implementation Strategy</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>• Project and Funding Approvals (PPA, EPA) - Treasury Board Submission(s) if required</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>• Technical document development (Project Brief / Terms of Reference / Drawings and Specifications)</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>• Specification follows latest NMS format</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>• Specification Table of Contents is accurate (format and page counts)</td>
<td>P</td>
<td>V</td>
</tr>
<tr>
<td>• Validate Summary of Work (Division 01 11 11) is not used</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>• Confirm that the appropriate terminology is used (Departmental Representative) - No reference to Owner or Engineer etc.</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>• Verify that there are no references to CCDC documents</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>• Specifications are open to all through specifying products based on standards or performance specifications</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>• Sole sourcing is justified and specified in the correct format (no “or equivalent” or “to match existing” etc.)</td>
<td>P</td>
<td>V</td>
</tr>
<tr>
<td>• Prequalification or submissions at bid closing are prepared by Contracting Officer and do not exist in the specification</td>
<td>S</td>
<td>P</td>
</tr>
<tr>
<td>• Review Documents to ensure they are technically complete</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>• Technical documents finalized and translated (if required)</td>
<td>P</td>
<td>-</td>
</tr>
</tbody>
</table>

#### Requisition Phase

<table>
<thead>
<tr>
<th>Activity</th>
<th>Technical Authority</th>
<th>Contracting Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Prepare and submit 9200 Requisition</td>
<td>P</td>
<td>V</td>
</tr>
<tr>
<td>• Ensure appropriate signature appears in the box indicating that funds are available under Section 32 of the FAA</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>• Prepare and submit Security Requirements Check List (SRCL)</td>
<td>P</td>
<td>V</td>
</tr>
<tr>
<td>• Submit copy of approved National Security Exception (NSE) if applicable</td>
<td>P</td>
<td>-</td>
</tr>
</tbody>
</table>
- Develop and submit fully detailed contract risk management plan including estimated contingencies per item
- Provide Class ‘A’ estimate
- Submit Construction Tender Request (500) if applicable
- If not a publicly advertised requirement, provide either a list of potential suppliers or completed SELECT system selection requirements

<table>
<thead>
<tr>
<th>C</th>
<th>Pre-solicitation Phase</th>
<th>Technical Authority</th>
<th>Contracting Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Develop a Procurement Management Plan</td>
<td>-</td>
<td>P</td>
</tr>
<tr>
<td>2</td>
<td>Identify any Insurance Requirements</td>
<td>P</td>
<td>S</td>
</tr>
<tr>
<td>3</td>
<td>Identify appropriate Terms and Conditions</td>
<td>-</td>
<td>P</td>
</tr>
<tr>
<td>4</td>
<td>Develop Basis of Payment</td>
<td>V</td>
<td>P</td>
</tr>
<tr>
<td>5</td>
<td>Develop Proposal/Bid Evaluation Criteria</td>
<td>J</td>
<td></td>
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<tr>
<td>6</td>
<td>Determine selection methodology</td>
<td>J</td>
<td>J</td>
</tr>
<tr>
<td>7</td>
<td>Identify Performance Measures (deliverables/milestones)</td>
<td>P</td>
<td>V</td>
</tr>
<tr>
<td>8</td>
<td>Contractual Clauses, Terms and Conditions finalized and translated</td>
<td>-</td>
<td>P</td>
</tr>
<tr>
<td>9</td>
<td>Obtain security clause(s) from CISD</td>
<td>S</td>
<td>P</td>
</tr>
<tr>
<td>10</td>
<td>Assemble full solicitation document</td>
<td>-</td>
<td>P</td>
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<tr>
<td>11</td>
<td>Seek Procurement Approvals (CPAA/Proc Plan)</td>
<td>-</td>
<td>P</td>
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<table>
<thead>
<tr>
<th>D</th>
<th>Solicitation Phase</th>
<th>Technical Authority</th>
<th>Contracting Authority</th>
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</thead>
<tbody>
<tr>
<td>12</td>
<td>Create Notice of Proposed Procurement</td>
<td>S</td>
<td>P</td>
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<tr>
<td>13</td>
<td>Publish and distribute solicitation</td>
<td>-</td>
<td>P</td>
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<tr>
<td>14</td>
<td>Receive Questions during Proposal/Bid Period</td>
<td>-</td>
<td>P</td>
</tr>
<tr>
<td>15</td>
<td>Prepare Answers to Technical Questions in Approved Format (translate if required)</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>16</td>
<td>Issue Answers to All Bidders/Proponents</td>
<td>-</td>
<td>P</td>
</tr>
<tr>
<td>17</td>
<td>Bidders Conference or Site Visit</td>
<td>S</td>
<td>P</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>E</th>
<th>Evaluation to Contract Award Phase</th>
<th>Technical Authority</th>
<th>Contracting Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td>Receive Proposals/Bids</td>
<td>-</td>
<td>P</td>
</tr>
<tr>
<td>19</td>
<td>Evaluate Mandatory Submission Requirements</td>
<td>S</td>
<td>P</td>
</tr>
<tr>
<td>20</td>
<td>Establish Evaluation Board, if applicable</td>
<td>J</td>
<td>J</td>
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<tr>
<td>21</td>
<td>Evaluate Technical Compliance</td>
<td>P</td>
<td>S</td>
</tr>
<tr>
<td>22</td>
<td>Evaluate Financial Submission</td>
<td>S</td>
<td>P</td>
</tr>
<tr>
<td>23</td>
<td>Review Tender Security, if applicable</td>
<td>-</td>
<td>P</td>
</tr>
<tr>
<td>24</td>
<td>Complete Financial and Managerial Assessment if applicable</td>
<td>-</td>
<td>P</td>
</tr>
<tr>
<td>25</td>
<td>Seek Clarifications and Negotiations, if applicable</td>
<td>S</td>
<td>P</td>
</tr>
<tr>
<td>26</td>
<td>Convene and Chair Tender Review Meeting, if applicable</td>
<td>S</td>
<td>P</td>
</tr>
<tr>
<td>27</td>
<td>Validate security clearance of firm (if required)</td>
<td>-</td>
<td>P</td>
</tr>
<tr>
<td>28</td>
<td>Obtain Authority to Enter Into Contract</td>
<td>-</td>
<td>P</td>
</tr>
<tr>
<td>29</td>
<td>Award Contract</td>
<td>-</td>
<td>P</td>
</tr>
<tr>
<td>30</td>
<td>Proponents/Bidders Debriefing</td>
<td>S</td>
<td>P</td>
</tr>
</tbody>
</table>
### Contract Administration and Management Phase

<table>
<thead>
<tr>
<th>Task</th>
<th>Technical Authority</th>
<th>Contracting Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convene Start-Up Meeting</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>Verify Personnel Security Clearances of employees and subs, if applicable</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>Verify Insurance, if applicable</td>
<td>-</td>
<td>P</td>
</tr>
<tr>
<td>Advise the Technical Authority that key solicitation deliverables have been received and work can commence</td>
<td>S</td>
<td>P</td>
</tr>
<tr>
<td>Manage progress and delivery of contract scope of work</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>Chair Progress Review Meetings</td>
<td>P</td>
<td>S</td>
</tr>
<tr>
<td>Review and monitoring of schedule</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>Inspection/Quality Assurance/Acceptance of Deliverables (Section 34 of the FAA)</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>Authorize and Process Payments</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>Obtain Required Forms to Allow Payment of Invoices (e.g. Statutory Declaration, WCB/WSIB Certificate)</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>Identify and Document Required Contract Changes</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>Confirm Change can be completed within funding and project authorities</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>Review Project Risk Implications and Revise Contract Risk Management Plan</td>
<td>P</td>
<td>S</td>
</tr>
<tr>
<td>Negotiate Contract Amendments/Change Orders</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>Prepare Paperwork Necessary for Contract Amendment</td>
<td>P</td>
<td>V</td>
</tr>
<tr>
<td>Obtain Appropriate Contract Amendment Approval</td>
<td>-</td>
<td>P</td>
</tr>
<tr>
<td>Issue and Authorize Contract Amendment</td>
<td>-</td>
<td>P</td>
</tr>
<tr>
<td>Instruct Consultant/Contractor to Proceed with Change Only AFTER Contract Amendment Authorized by Contracting Authority</td>
<td>P</td>
<td>V</td>
</tr>
<tr>
<td>Issue Site Instructions (if required)</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>Issue Notices Related to Removing Work (Potential or Actual)</td>
<td>S</td>
<td>P</td>
</tr>
<tr>
<td>Inform Bonding Company in case of Poor Performance or Termination</td>
<td>S</td>
<td>P</td>
</tr>
<tr>
<td>Approve Extensions of Time to the Contract</td>
<td>S</td>
<td>P</td>
</tr>
<tr>
<td>Issue Notices Related to Suspension</td>
<td>S</td>
<td>P</td>
</tr>
<tr>
<td>Issue Notices Related to Termination</td>
<td>S</td>
<td>P</td>
</tr>
<tr>
<td>Issue Certificate of Substantial Performance, if applicable</td>
<td>P</td>
<td>V</td>
</tr>
<tr>
<td>Release of Holdback According to Contract Terms of Payment</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>Resolution of Contract Disputes</td>
<td>P</td>
<td>S</td>
</tr>
<tr>
<td>Negotiate, Obtain Approval and Pay Amounts Owing from Claims</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>Issue Certificate of Completion</td>
<td>P</td>
<td>V</td>
</tr>
<tr>
<td>Closeout Contract</td>
<td>S</td>
<td>P</td>
</tr>
</tbody>
</table>

Primary (P), Joint (J), Support (S), Validation (V), No involvement (-)

### Contract Performance Evaluation

<table>
<thead>
<tr>
<th>Task</th>
<th>Technical Authority</th>
<th>Contracting Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conduct Performance Reviews</td>
<td>P</td>
<td>S</td>
</tr>
<tr>
<td>Complete CPERF</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>Enter CPERF Results into System and Place on Contract File</td>
<td>-</td>
<td>P</td>
</tr>
</tbody>
</table>
4.0 Procurement Process

The following provides details of the Activities, Inputs, Tools and Techniques and Outputs for each of the Processes of the Procurement Management.

The Processes are:
- Plan
- Conduct
- Administer
- Close-out

4.1 Overview Table

<table>
<thead>
<tr>
<th>Process</th>
<th>Inputs</th>
<th>Tools and Techniques</th>
<th>Outputs</th>
</tr>
</thead>
</table>
| Plan Procurement   | - Requirements Definition  
                     - Scope statement  
                     - Project description  
                     - Teaming agreements (Stakeholders)  
                     - Project security (SRCL)  
                     - Risk register and plan  
                     - Preliminary cost & schedule  
                     - Project funding by activity  
                     - Market conditions – Enterprise environmental factors  
                     - Organizational Process assets  
                     - Other planning outputs  
                     - Constraints /Assumptions | - Internal and external resources  
                     - Planning & analysis  
                     - Resource expertise  
                     - Selection Methodology  
                     - Contract type selection | - Procurement management plan  
                     - Statement of work  
                     - Procurement decision  
                     - Source selection criteria  
                     - Change Requests process |}
| Conduct Procurement| - Procurement management plan  
                     - Statement of Requirements  
                     - Statement of work  
                     - Request for Proposals  
                     - Project Specifications  
                     - Stakeholders/Resources commitment  
                     - Procurement documents  
                     - Qualified sourcing lists  
                     - Evaluation criteria  
                     - Organizational Process Assets (Policies and Directives) | - Bidder conferences  
                     - Job showings  
                     - Proposal/Bids evaluation Methodologies  
                     - Standard forms  
                     - Resource expertise  
                     - Advertising  
                     - Weighting system  
                     - Screening system  
                     - Independent estimates  
                     - Negotiation | - Procurement documents  
                     - Statement of work updates  
                     - Bids/Proposals  
                     - Contract, Agreement, Standing Offer, Open Agreement, Work/Job Order  
                     - Project Management Plan updates  
                     - Document updates |
### 4.2 Plan Procurement

This is the process of identifying which project needs are best met by procuring services from the private sector. It is undertaken during the scope definition phase and involves consideration of whether or not to procure, how to procure, what to procure, how much to procure, and when to procure.

This process involves the preparation of the documents needed to support Invitations. PWGSC, as the primary owner of federal real properties, undertakes substantial amounts of procurement of real property services. As a result, it has developed standardized procurement documents in consultation with the Professional Associations of Architects and Engineers and also the Canadian Construction Association.

Bids and proposals are received from prospective proponents detailing how project needs can be met. Most of the actual effort in this process is expended by the proponents, normally at no cost to the project. The Project Management institute’s Guide to Project management Body of Knowledge, now calls these Invitation to Sellers as generic nomenclature to simplify terminology and ensure it is understood in any language.

#### 4.2.1 Activities

I. When the client sends the requirements to the Project Manager, the contract requirements are defined at the same time; verify that the funds have been identified and signed by the client under Section 32 of the FAA;

II. Review the estimates and determine the dollar value and the authority level required; contact the Contract Authority to inform them of the upcoming requirement;

III. Discuss with Contract Authority the potential contracting process. Although still early in the process, it will provide an opportunity to include the timeframes in the project plan, assist in the preparation of the procurement plan for the project plan and for the documentation the contracting officer will have to prepare;

IV. The statement of requirements;

V. Identify Security requirements with the Security Requirement Checklist;
VI. Develop the Risk Management plan or if already done, integrate contract risks, with mitigation strategy and potential costs; this will be used to determine the level of authority required for the Pre-Approved Amended Authorities, if required.

4.2.2 Inputs

**Scope statement:** describes project needs, strategies and boundaries. **Project description:** description of the project and technical issues/concerns must be included on, or in addition to, the Requisition for Goods and Services (9200).

**Risk Management Plan:** description of the various risks, prioritized, their associated potential costs, if the event occurs and their mitigation strategy and costs of mitigation. This plan and related checklist and establishment of pre-approved amounts for anticipated amendments (PAAA) based on the plan are essential.

**Project security requirements:** identification of security requirements for firms and individuals contracted for the project must be reviewed and identified on the Requisition for Goods and Services form, along with the applicable Security Requirements Checklist (350-103).

**Market conditions:** consideration as to what product/services are available, from whom, and under what terms and conditions.

**Cost estimates and schedule:** provide a preliminary cost estimate and schedule.

**Project approval:** For all PWGSC projects a Preliminary Project Approval (PPA) is required to contract with a consultant to further develop the design and provide more detailed cost estimates. These cost estimates will be the basis to seek Effective Project Approval (EPA) to proceed to the tendering process for construction. For low dollar value PWGSC projects, the approval will be within the organization based on the Specific Service Agreement (SSA) (5031). All government organizations projects approvals are based on similar funding approval documents and are expected to be standardized under the Policy on Project Management.

**Project Funding approval:** Confirmation of funding and cash flow projections is required. Funding must be provided by the client and the Project Manager must ensure that these funds have been signed off under Section 32 of the FAA by their client.

**Organizational Process Assets:** Processes and procedures for conducting work available to the project team within the organization in which the project is being conducted, such as standard processes, policies, product life cycle, quality, standardized guidelines, templates, performance measurement criteria.

**Other planning outputs:** quality management plans, work breakdown structure, human resource plan for staffing etc.

**Constraints identification:** i.e. funding availability, project location, site conditions and restrictions, weather, etc.

**Assumptions:** factors that, for planning purposes, are considered to be possible or certain.

4.2.3 Tools and Techniques

**Planning and analysis:** is undertaken on the initial scope definition process to determine the optimum procurement strategy. Various investment analyses, cost benefit analysis, make-or-buy analysis (i.e. build, buy or lease a building) are undertaken; resourcing strategies (i.e. utilize internal professional and technical resources or contract with the private sector). Analysis should include both direct and indirect costs and reflect the perspective of the performing organization, as well as the immediate needs of the project.
Resource expertise: identify professional and technical resource discipline expertise required on the project team, including their roles and responsibilities; identify procurement resources assigned from RPC (whether partially or fully dedicated basis).

The use of other methodologies such as design build or construction management requires senior management approval and custom tailored contract documentation and processes.

4.2.4 Outputs

Procurement Plan: (also called Procurement Management Plan) this plan may be detailed or broadly framed based on the size and complexity of the project. It is an element of the Project Plan and describes how the remaining procurement processes (from solicitation planning through contract close-out) will be managed, i.e.

- Types of contracts to be utilized (typically require individual contracts for professional and technical services (P&T), architectural and engineering services (A&E), and construction services).
- where independent estimates are required as evaluation criteria, identification of who will prepare them and when these estimates would be available
- roles and responsibilities of RPC and RPB organizations in the procurement process; identification of the change management process, processes for joint approval and exceptions where independent approvals suffice, etc.
- procurement documents to be utilized such as the P&T services contracts (short form or long form), A&E contracts, open agreements, standing offers, construction, whether electronic or manual format and where they may be accessed, etc.
- forms to be utilized, i.e., tender and acceptance forms, specifications, change orders, work orders, amendments, etc.
- strategies for the management of consultants, contractors, sub-contractors/suppliers
- interface with clients, and professional and technical disciplines.

Statement of Work (SOW): (also called statement of requirements (SOR), scope of work, project brief, terms of reference (TOR)): description of the services required to be procured in sufficient detail to allow prospective consultants and contractors to determine if they are capable of providing the service. It will also include any services required after the initial delivery of the goods or services, such as post project operational support for the product, training on the use of equipment etc. ‘Sufficient detail’ varies based on the nature of the project/needs of the client, or the expected contract form. This is to be included with the Requisition for Goods and Services (9200) to the Contracting Authority. The statement of work forms part of either:

- a Request for Proposals (RFP) when inviting proposals from consultants or
- project drawings and specifications when inviting construction tenders.

4.3 Conduct Procurement

4.3.1 Activities

1) With the Contracting Authority, discuss how the contract is going to be issued. The Contracting Authority will provide direction in the following areas:

   - Competitive or sole source;
   - Justification for sole source;
   - Justification for limited tendering, by invitation only;
• Open on MERX, RFQ or RFP or ITT;
• Use of SELECT;
• Use of Standing Offers;
• Use of Supply Arrangements.

2) Once the approach has been determined, the appropriate documentation must be developed:
• Statement of Requirements will be refined, determine methodology of evaluation; develop evaluation criteria and review with Contracting Authority;
• Seek Project Authority for sign-off on the commitment of the funds under section 32 of the FAA;
• Complete the Security Requirements Checklist;
• Provide information package to Contracting Authority, the Contracting Authority will seek the required authorities to proceed to the solicitation;
• The Contracting Authority will review the requisition and documentation for the elements to ensure the integrity of the contracting process such as:
  – Reasonable closing date of suppliers to submit bids or proposals;
  – Completeness of documentation; no trademarks or unique designs, which are not justifiable;
  – Raise any questions with the Technical Authority, which is either the Project Manager or experts in specific fields;

3) The Contracting Authority will confirm the methods of procurement and authorities required for contract approval with the PM and prepare the documentation appropriate to the procurement plan; such as the Instructions to Bidders; the General Conditions, any Supplementary Conditions which may be required;

4) Translation of package; the Statement of Requirements and Evaluation Criteria should be sent to translation as early as possible;

5) Package is posted on MERX or sent to limited suppliers when Sole Source is required;

6) Respond to questions from bidders through the Contracting Authority;

7) Create a team to evaluate the proposals individually, then bring the evaluation team together to reach consensus if possible, if not, use majority vote;

8) All members of the evaluation team shall sign a confidentiality agreement and/or a conflict of interest;

9) Prepare evaluation of the submissions:
   • Administrative review by the contracting authority;
   • Technical review by experts;
   • Summary report of evaluation and results.

10) Report submitted to Contracting Authority for sign-off by the evaluation team members;

11) Contract Authority will put together the package for contract sign-off, through the Contract Review Committee;

12) Acquire any other approvals required to issue the contract;

13) Contracting Authority awards contract to successful bidder;

14) Advise supplier that they must provide:
   • a Performance Bond and a Labour and Materials Bond, usually if the requirement is higher than $100,000;
   • proof of insurance;
- Workers Compensation certificate and;
- any other issues which must be addressed;

15) Notify unsuccessful bidders or post on MERX; advising suppliers of their right to have a debriefing if they wish and the recourse mechanisms available to them.

4.3.2. Inputs

**Procurement Plan:** Refer to section 4.2 for Plan Procurement

**Statement of Work and Statement of Requirements:** Refer to section 4.2 for Plan Procurement

**Construction Document:** These are the plans and specifications prepared by the A&E consultant (or in-house designer) based on the ‘National Master Specifications’. Once design and construction documents and Substantive (Class ‘A’) estimate is accepted from the consultant by RPB, they form part of the tender documents utilized to solicit tenders for construction from contractors.

**Request for Proposals (Invitation to Sellers):** utilized to solicit proposals from consultants. It consists of the 'Project Brief' (technical requirements) prepared by project managers, and the legal and contractual documentation prepared by contracting officers. Evaluation criteria to rate/score proposals and criteria to evaluate performance of the successful proponent is also prepared by both of the above parties.

**Select Systems:** PWGSC maintains lists of qualified consultants and contractors on its SELECT system. The system contains data on qualifications, licensing, experience, discipline expertise, etc. of individual firms. It is intended for low dollar value procurement and can be utilized for both competitive and non competitive procurement up to a value of $75 K for A&E and $100K for Construction. For larger projects, with higher dollar values and above the Trade Agreements $75K thresholds, all requirements must be posted on the Government Electronic Tendering Services (GETS) to maximize public access to procurement opportunities. The service is administrated on the Internet under the name MERX.

**Procurement documents:** these are utilized to solicit proposals from prospective consultants and contractors. The terms 'bid' and 'quotation' are generally used when source selection decisions will be based on price, while the term 'proposal' is generally used when other considerations, such as technical skills or technical approach, are paramount. Common terminology for various types of procurement documents include: Invitations to Tender (ITT), Request for Proposal (RFP), Request for Quotation (RFQ), Request for Standing Offer (RSO).

**Stakeholders/Resources Commitment:** Identify the resources required to be involved in the evaluation process once bids are received and any additional expertise required.

**Evaluation criteria:** description of the criteria requirements which will be used to rate or score bids and proposals. The following are most commonly used criteria, provided as examples.

<table>
<thead>
<tr>
<th>Construction Projects</th>
<th>Rate/score bids and proposals</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>cost</td>
<td>project management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>contract management</td>
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<td></td>
<td></td>
<td>time</td>
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<td></td>
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<td>health and safety</td>
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</tbody>
</table>
The criteria as described in the RFP serve as the basis to rank Contractor/Consultant proposals. As well, presentations and samples of the proponent's previous projects/services may be used to evaluate their capabilities and quality of services. They also may include a review of the proponent's history and verification of references.

Organizational Process Assets (policies): PWGSC has established procedures for the evaluation of tenders and proposals. These evaluations provide technical approvals from project managers and contract approvals from contracting officers before contracts may be awarded. The use of a formal ‘Consultant Evaluation Board’ for the review of A&E proposals is standard practice in RPB. Meetings are chaired by RPB with RPC acting as Board Administrator while the rating of proposals is conducted by RPB professionals.

4.3.3 Tools and Techniques

Bidders’ conference: On a required basis, Bidders’ conference are held before bids or proposals are received to ensure that all prospective consultants and contractors have a clear, common understanding of the procurement requirements (technical, contractual, environmental, etc.). They can be specifically held for consultants or for contractors/suppliers.

Bidders are invited to attend an information session about the requirement and have an opportunity to ask questions. Usually held if the requirement is complex and the client wants to make sure that the potential bidders/proponents understand what is expected. Minutes are taken and posted on MERX, if the requirement was posted on MERX. Where the requirement was sent to specific invited bidders, then all bidders will receive the minutes, whether they attended the session or not. Bidders do not usually have to be present, teleconferencing is also available.

Job Showings: Invitation to invited bidders to visit the work site to allow them to physically observe the actual work environment. These are often held to obtain quotations from contractors for minor repairs and maintenance works.

Advertising: GETS is actually an electronic bulletin board which places a Notice of Proposed Procurement permitting eligible firms to submit a proposal. In remote areas where GETS is not available, PWGSC places advertisements in general circulation publications such as newspapers or in specialty publications such as professional journals.

Selection methodology: Identification of the contract methodology chosen for the project. The design-bid-build methodology is the norm. Project managers (PM) solicit tenders from contractors since they know ‘what’ they want done and ‘how’ they want it done. Technical capabilities are mandatory and cost is the main determining evaluation criterion, with the “Lowest Technical Responsive Bid” being awarded the contract. However, for architectural and engineering (A&E) consultants, PM's use a Request for Proposals (RFP) to encourage both competition and creative input from proponents. They detail the ‘what’, ‘when’, and ‘why’ but not the ‘how’. Request for Proposals are used when RPB is looking for the solution to a problem and the solutions are expected to be varied and more complex to evaluate. Mandatory criteria, rated criteria and cost will be evaluated. Cost is NOT the main evaluation criterion, and the final selection of the proponent is expected to be based on a more complex process using a mix of technical merit and price.

Standard forms and contract documents: Identification of primary standard forms/contracts to be utilized is made in consultation with a contracting officer. These are described in the specific sections for each type of contract requirement.
**Contract negotiation:** Standard contract clauses have been mutually developed with the Canadian Construction Association (CCA) and Professional Associations which include, but are not limited to, responsibilities and authorities, applicable terms and law, technical and business management approaches, contract financing, and price. Refer to Standard Acquisition Clauses and Conditions (**SACC manual**) on PWGSC website.

**Weighting system:** Is a method used to evaluate qualitative criteria to minimize the effect of personal subjectivity during source selection. The system involves assigning a numerical weight to each of the evaluation criterion, rating proponents on each criterion, multiplying the weight by the rating, and totalling the resultant products to compute an overall score.

**Screening system:** Involves establishing minimum requirements of performance for one or more of the evaluation criteria. For example, a proponent might be required to propose a project manager who has specific qualifications, i.e. a PMP®, before the remainder of the proposal would be considered for evaluation.

**Independent estimates:** For all procurement items, RPB prepares its own independent estimates as a verification of on proposed pricing. Significant variances from these estimates may be an indication that the project brief/statement of work was not adequate or that the proponent either misunderstood or failed to respond fully to the project brief.

### 4.3.4 Outputs

**Bids:** are offers made by contractors to perform specified services for a certain price. On construction contracts over $100K, the bidder must provide a bid bond or other acceptable bid security with their offer. The contractor awarded the contract must then replace bid security with a labour and material payment bond and a performance bond or other acceptable contract security. There may be various other related requirements such as insurance, health and safety certification etc.

**Proposals:** are documents prepared by consultants that describe their firm's ability and willingness to provide the requested product at a proposed cost. Proposals are prepared in accordance with the requirements of the relevant procurement documents and may be supplemented with an oral presentation.

The real property methodologies are described in the individual section addressing the specific requirements.

**Sole Source contracts** may be utilized for any type of contract ONLY if it meets one or more of the exceptions established in Treasury Board Contracting Policy, **Section 10.2.1** and **Government Contract Regulations** (GCR), **Part I, Section 6**:

- the estimated expenditure does not exceed $25,000 or $100,000, where the contract is for the acquisition of A&E services.
- a pressing emergency in which delay in taking action would be injurious to the public interest (see RPB ‘Emergency Contracting Process’).
- the nature of the work is such that it would not be in the public interest to solicit bids i.e., security issues etc.
- only one person or firm is capable of performing the contract.

Note: project managers should read **Section 6 of the GCR’s** for more detail.

**Construction Contract / Consultant Agreement:** These documents are signed by the authorized representative of the firm and the contracting officer delegated with contract approval authority. The signed contract is a legal obligation of the two parties, the consultant/contractor must provide the specified services and RPB may pay for these services. Since real property contracts are standard, the review, approval and execution of the documents is normally a routine process.

**NOTE:** With the exception of a pressing emergency, when only one proponent is invited to submit a proposal, it is usually required that an **Advance Contract Award Notice (ACAN)** be posted on GETS for a period of 15 calendar days. This informs other firms of the intent to award on a sole source basis and provides opportunities for other firms to advise the Contracting Authority that there are, potentially, other firms capable of meeting the requirement.
4.4 Administer the Contract

This is the process of ensuring that the contractor/consultant's performance meets the contractual requirements. On larger projects with multiple contracted parties and resource expertise, managing the interfaces among the various providers is paramount.

The legal nature of contractual relationships makes it imperative that the project team be acutely aware of the legal implications of actions taken when administering the contract. Where consultants are engaged to provide project management services, they may recommend actions for RPB approval, but cannot authorize contracts, commitments, amendments, change orders or payments since they are not an employee nor an 'agent' of PWGSC. Contract administration includes application of the appropriate project management processes to the contractual relationship(s) and integration of the outputs from these processes into the overall management of the project. This integration and coordination often occurs at multiple levels when there are multiple consultants/contractors and multiple services involved. RPB promotes open communication with consultants and contractors to explain these processes.

The key processes are:

- Project plan execution: to authorize consultant/contractor's work at the appropriate time
- Performance reporting: to monitor consultant/contractor cost, schedule, and technical performance
- Quality control: to inspect and verify the adequacy of the consultant/contractor's services
- Change control: to ensure that changes are properly approved and that all those with a need to know are aware of such changes.

Payment terms are defined within the contract and involve a specific linkage between contractor/consultant progress.

4.4.1 Activities

1. Pre-planning meeting: contractor, CA and PM and client to establish roles and responsibilities and review the Statement of Requirements and ensure that the contract starts with everyone understanding their role in the process;
2. Once contract is in place, the PM will manage the execution of the work;
3. Monitor and document progress of the contract with all its elements;
4. Resolve any difficulties as soon as they are encountered. Document the problem and its resolution and send one copy to the Contracting Authority. If the problem cannot be resolved, seek assistance from your Senior Project Manager or Regional Manager, then support from the Contracting Officer;
5. Should problems persist, contact Contracting Officer and/or Claims Management and Prevention Unit for advice before talking to the Contractor/Consultant;
6. For any Change Orders processed within RPB authority, complete a change order log and submitted to the Contracting Authority;
7. For Change Orders processed through RPC, complete a change order log and submitted to the Contracting Officer for approval;
8. Document the file for all change orders or issues which might surface later;
9. Record action, telephone conversations, meetings;
10. Ensure to exercise only your authorities as they were given to you through your supervisor;
11. Work is progressing and invoices are received; assess that the work is progressing as it should be, in accordance with the schedule;
12. Sign off on invoices, with financial coding, for the work completed as per the contract terms and conditions for payment;

13. Work is completed, contractor to provide a list of deficiencies and a list of warranties.

4.4.2 Inputs

**Deliverables**: these are the consultant/contractor's services; identification of which deliverables have been completed and which have not, to what extent quality standards are being met, what costs have been incurred or committed, etc. These were identified as part of the Statement of Work. (see Plan Procurement and Conduct Procurement) This information is monitored as part of project plan execution.

**Change requests**: may include modifications to the terms of conditions of the contract or to the description of the project to be provided. Where modifications are required to terms and conditions it is imperative that RPC approval be obtained. Since the contracts are standard as agreed with the industries, changes to terms and conditions should rarely occur. If the consultant/contractor's services are unsatisfactory, various alternatives are available to project managers (see appropriate clauses), dispute resolution, taking the work out of the contractor's hands, or termination of the contract. Contested changes, those where the consultant/contractor and the project management team cannot agree on compensation for the change, are called claims, disputes, or appeals.

**Contractor/Consultant invoices**: invoices (also referred to as progress draws) are submitted monthly to request payment for services performed. Invoicing requirements, including necessary supporting documentation, are defined within the contract.

4.4.3 Tools and Techniques

**Contract change control system**: defines the process by which the contract may be modified. It includes the documentation, tracking systems, dispute resolution procedures, and approval levels necessary for authorizing changes. The contract change control system should be integrated with the project change control system. NCA have established a centralized Contract Change Management Unit that provides a quality assurance process.

**Inspection and Audits**: Each SOW and/or SOR should have inspection and acceptance criteria to determine the standards under which the product or service will be accepted. The audit requirement will be stated in each contract, that once the work has been delivered, the option of audit is available to the buyer for a specific period.

**Performance reporting**: provides management with information regarding how effectively the consultant/contractor is achieving the contractual objectives. Contract performance reporting should be integrated with project performance reporting. PWGSC in conjunction with the Canadian Construction Association and the Professional Associations of Architects and Engineers have established generic performance measurement criteria.

**Payment system**: payments to consultants/contractors are administered by the PWGSC accounts payable system. The payment system must include appropriate reviews and approvals by the project management team and must adhere to the departmental contracting and financial delegated authorities.

4.4.4 Outputs

**Contract documents**: contract terms and conditions require written documentation related to various aspects of the contract, such as notices, warnings of unsatisfactory performance, contract changes, clarifications, etc. NCA has established a centralized Claims Prevention and Management Unit to assist Project Management with the analysis and resolution of claims.

**Claims management**: The Claims Prevention and Management Unit assist project manager with the analysis and resolution of contractual claims.
**Contract changes**: (approved and not approved) are fed back through the appropriate project planning and procurement processes. All changes should be reflected in the Project Plan or any relevant documentation.

**Payment requests**: are submitted for the services performed. The amount of services or progress of the services to date are certified by the technical authority and recommended for payment. Actual payment is made by the financial authority and logged in the PWGSC’s account payable. The payment sequence normally begins with several monthly progress draws, followed by a Certificate of Substantial Performance (Interim) and Certificate of Completion (final) following warranty periods, etc. The contract specifies the conditions to be met prior to the release of payments i.e., statutory declarations, clearance certificates, etc.

### 4.5 Contract Close-out

Contract close-out involves both product verification (ensuring all work was completed correctly and satisfactorily) and administrative close-out (updating the records to reflect final results and archiving the information for future use). The contract terms and conditions prescribe specific procedures for contract close-out and RPB has developed specific documentation requirements for use by its project managers.

#### 4.5.1 Activities

1. Evaluate contractor/consultant, and review performance and the capability of the contractor / consultant with Contracting Authority (Construction **PWGSC/TPSGC CPERF 2913**, and Consultant **PWGSC/TPSGC CPERF 2913-1**).
2. Contract close-out. Ensure financial system is aligned with the project file, for documentation and audit trail.
3. Prepare Lesson Learned.

#### 4.5.2 Inputs

**Contract documentation**: includes, but is not limited to, the contract itself along with all supporting schedules, requested and approved contract changes, any technical documentation developed by consultant/contractor, performance reports, financial documents such as invoices and payment records, and the results of any contract-related inspections.

#### 4.5.3 Tools and Techniques

**Procurement audits**: are structured reviews of the procurement process from procurement planning through contract administration. The objective of a procurement audit is to identify successes, failures, lessons learned etc., that warrant consideration for other projects in PWGSC.

#### 4.5.4 Outputs

1. **Records Management and Contract file**: a complete set of indexed records must be documented for inclusion with the final project records.
2. **Formal acceptance and closure**: the organization responsible for contract administration should provide the consultant and contractor with formal written notice that the contract has been completed. Requirements for formal acceptance and closure are defined in the contract.

### 5.0 Delegation of Authorities

Delegation of Authorities is an instrument that specifies the types and limitations of authorities delegated to a specific position. The Minister and Deputy Minister grant these delegations to officers of the Department on the condition that the authority so delegated be applied only within the delegated officer’s area of responsibility. For example, the Minister’s
office is the only position given power through legislation to approve contracts and requisition payments. Therefore, the Minister is ultimately accountable for all financial and contractual actions of the Department. Where the Minister has delegated this authority to officers of the Department, the objective is to provide authority commensurate with their operating needs.

There are four key parameters to the delegations of authorities which affect the domain and the scope of their application. Specifically, the delegations:

- are made to specific levels of positions,
- have specific transaction limits attached and are subject to restriction by management,
- are subject to any additional limitations defined in statutes, Treasury Board regulations, policies and directives, receiver general directives and other PWGSC directives, and
- are restricted to those activities allowed by legislation and as approved by the Deputy Minister and which are described in official departmental documents in terms of mandates, operational plans, and budgets.

5.1 Delegation of Authorities (Schedule 2) — Real Property Branch

5.2 Delegation of Authorities (Schedule 3) — Common Service Acquisition Authorities

6.0 Procurement Management for Architectural and Engineering Services

6.1 Procurement Methodologies

Architecture and Engineering (A&E) contracts are solicited through RPC contracting authority for sole source and competitive contracts. A Requisition for Goods and Services (9200) is mandatory for all A&E contracts. For contract values estimated below the North American Free Trade Agreement (NAFTA) threshold, the PWGSC SELECT system (up to $75K) (rotational sourcing system) is utilized. For those above the threshold, a Request for Proposal is issued through the Government Electronic Tendering System (GETS) (electronic bulletin board on Internet for public tendering).

The main consideration when choosing a selection method is the expected dollar value of the consultant services. There are, however, other factors that should be taken into account; for example, the project’s complexity and specificity, or time associated with a particular selection process.

It is the joint responsibility of Project Management and Real Property Contracting (RPC) to ensure that an appropriate consultant selection mechanism is used. Since the estimated cost of services constitutes the principle criterion for choosing a selection method, it is very important that the scope of the project and related professional fees be determined before a request for consultant services is processed.

Once the technical and cost parameters of a project are established, the Project Manager should discuss the service acquisition methodology with a Contracting Officer. While a final decision concerning the consultant selection process needs to be made by the Project Manager, departmental policies or thresholds of trade agreements that impose limits for usage of a particular method must be respected. In many cases, these limits will determine which method is used.

The limits set by departmental policies and trade agreements are periodically reviewed and closely monitored by various authorities. It is the responsibility of the Project Manager to contact the Contracting officer to ensure that they have the most up-to-date information on thresholds of policies and trade agreements. Contracts must not be split to avoid the obligations under applicable agreements or policies.
Special consideration should be given to the appropriateness of using Open Agreements and Standing Offers. In addition to determining the scope of services for a project, the Project Manager must ensure that the proposed work is within the scope of the services originally defined in the Agreement or Offer.

Architectural and Engineering Contracts will be issued as a result of specific needs, either through the SELECT process, a sole source justification or a competitive process on the GETS, as described above.

6.1.1 GETS Proposal Call

To maximize access to federal government procurement opportunities, architectural and engineering consulting services valued at $75K and above are advertised on the Government Electronic Tendering Service (GETS). The service has been administrated on the Internet by the Bank of Montreal, under the name MERX.

For procurements subject to trade agreements, there are three tendering approaches:

1- Open Tendering

Where a Notice of Proposed Procurement (NPP) is publicly advertised. Any eligible individual or firm can submit a proposal.

2- Selective Tendering

A two-phase process, implying two publications on GETS, where proponents first provide letters of interest and/or a Statement of Qualification and, at the second step, those who qualified at the first stage are requested to submit detailed proposals. However, other proponents may also participate in the second step. This approach is rarely utilized, as it is extremely time-consuming and generally has no advantages over other methods.

3- Limited Tendering

Limited tendering may only be used under specific conditions (i.e. extreme urgency brought about by unforeseeable events). Once this method is found to be justified, one or more proponents are invited to present proposal(s). When only one proponent is invited to submit a proposal, it is usually required that an Advance Contract Award Notice (ACAN) be posted on GETS for a period of 15 calendar days. This allows other firms to challenge the basis for the sole source selection.

Note: Open Tendering is the preferred approach for acquiring A&E services.

Following are the two proposal solicitation methods that meet Open Tendering principles. Both methods involve a single advertisement of the opportunity posted on GETS.

6.1.1.1 Two-phase RFP (competitive)

This method is used for most projects where anticipated professional fees throughout the life of the project are above the NAFTA threshold ($75K). An advertisement of the opportunity and a Request for Proposal document are posted on GETS. The RFP document, containing details about the project and the submission and evaluation process, can be accessed and purchased by those interested in the opportunity.

Due to the qualitative nature of the architectural and engineering (A&E) industry, the submission of full design proposals represents a large investment of time, effort, and money on the part of consulting firms. In order to reduce the possibility of firms spending large amounts of money preparing such proposals for PWGSC projects, the Department traditionally utilizes a, two-phase RFP for A&E services. This methodology allows for firms to be point-rated in the ‘first phase’ based on their previous achievements and the experience of the proposed consultant team. Based on this rating firms are then better positioned to make a business decision as to whether to continue to the ‘second phase’ in the process and submit full proposals at their own cost.

The second phase consists of two activities:

- evaluation of proposals submitted by proponents
• final ranking of proponents according to a pre-established formula, including all aspects being evaluated (e.g. experience, technical proposal, cost of service).

*Note:* A generic RFP document for the two-phase selection of consultants for multidisciplinary architectural and engineering services has been developed jointly by A&ES and RPCD. This generic RFP is considered a “living document,” and will be updated when required.

Documents are available through RPB Professional and Technical Services Management (Professional Services).

6.1.1.2 One-phase RFP (competitive)

For some services up to $150K, it is possible to organize a one-phase proposal call when all of the following conditions are met:

Initiation of a one-stage one-phase RFP for A&E services must be approved at the Director level (Regional Manager in regions), the estimated fees (including disbursements, PAAA, GST/HST) should be less than $150K, and the proposal must meet one or more of four pre-established criteria, namely:

a) the required services involve only one discipline;

b) it is not expected that a large number of consultants will be interested and work is highly specialized and;

c) the estimated cost of the consultant services is less than $150K;

d) Complete Approval document.

When using this method, the evaluation of proponents’ experience and proposals can be carried out in the same phase.

6.1.2 Standing Offers (competitive)

*Standing Offers* are one of several options available to project managers (PM) for contracting for the services of consultants, primarily as an extension of RPB’s project management support services (PMSS) internal resources. The Architectural and Engineering Professional Associations in Canada have requested a ‘single window’ when contracting for their services through individual call-ups on SO’s. Real Property Branch has therefore established a process where SO’s are managed and accessed through respective interior design, project management as well as other Center of Expertise disciplines within RPB. Standing Offer’s serve multiple clients, projects and PM’s; therefore, an arms-length, transparent and fair separation of roles between the management of individual projects and the management of the SO’s themselves has been established for centralized control.

*When contracting for professional and technical services* relating to real property, the roles and responsibilities between the consultant and the PM must be clearly defined and follow traditional relationships.

6.1.3 Use of the SELECT system

The SELECT system is a database of architectural, engineering and related discipline professionals registered in the system. It contains details of their qualifications and experience. The system provides a name or a list of names of firms that match the profile of the project defined by the Project Manager.

SELECT can be used for either competitive or non-competitive sourcing.

• **One name** (non-competitive), for services between $10K and $50K

SELECT identifies a single firm that meets the discipline and experience profile requirements of the project. The selection is subject to a validation process by the Project Manager.

• **Three names** (non-competitive), for services of $10K or less

SELECT generates a short list of three qualified firms. The Project Manager then determines the most suitable and readily available firm.
• **Mini Proposal Call** (competitive), for services from $50K to $75K

The SELECT system can also be used to preselect firms from which proposals can be solicited. Five names are usually provided by the system. In cases where the pool of firms meeting the project profile requirements is limited, three names are considered acceptable. After validation by the Project Manager, proponents interested in participating in the selection receive a Request for Proposals document issued by RPC. This document contains a description of the project and the services to be provided, outlines the submission and selection process, and provides the Terms and Conditions of any resultant contract.

Responsive proposals are then evaluated by a PWGSC selection team against criteria set up in the RFP. Subject to some clarifications, if necessary, the contract is awarded to the proponent that ranks first in the evaluation.

This combined SELECT-RFP method of soliciting proposals eliminates the perception that invited proponents have been preferentially selected.

**6.1.4 Open Agreements (non-competitive)**

- for services totaling a maximum of $50K
- for individual commitment of services up to $25K

Open Agreements are to ensure the immediate availability of consultants to provide a series of small, specific and repetitive services, where the scope of the services cannot be determined in advance with reasonable certainty. A consultant with an Open Agreement provides services on an as needed basis. RPC maintains a number of Open Agreements signed with consultants identified through the SELECT system. These agreements are signed for a specified time, usually two years. The upper limit of an Open Agreement is typically not higher than the departmental limit used for a non-competitive use of SELECT—currently $50K.

A list of existing Open Agreements can be obtained from RPC.

**6.1.5 Sole Source (non-competitive)**

In exceptional circumstances (i.e. involving public safety, national security or a pressing emergency), a consultant can be hired on a non-competitive, sole-source basis. Sole sourcing may also be allowed when it has been demonstrated that only one person or firm is capable of rendering the services. With a few exceptions, involving for example extreme emergency, an ACAN, is posted on GETS advising the industry of the government intent to solicit a bid and negotiate with only one firm.

**Note:** A solid justification and the appropriate approvals must be in place before any commitment concerning a sole source contract is made.

**6.1.6 Architectural and Engineering Services Consultant Contract Amendments**

**A & E Consultant Contract Amendments** will only be issued when additional work is required on a pre-established contract and the work is directly associated and required to be able to complete the original scope or unforeseen delays may have occurred. Where additional requirements arise, they should be the subject of a subsequent requirement, unless they directly limit the ability to complete the original mandate.

**Note:**
- In certain region, in order to do an amendment, your business group will require that you provide an amended 9200. In NCR a short form will be required.
- Consultant contract end date: It is very important for the PM to ensure that if needed, the end date of the consultant contract be amended otherwise the contract is considered closed.
6.1.7 Ratification

**Definition:** Verbal authorization or approval to start work by someone who does not have the authority thus requiring approval after the fact, by the proper approval authority.

**Note:** In order to obtain approval from RPC, the Project Managers/Senior Project Managers must prepare a justification as to why the contract is in ratifications and seek Director level approval before requesting a contract amendment.

Refer to section 8.5 for Procedures.

6.2 Procedures for Architectural and Engineering Services

6.2.1 Activities

1) With the Contracting Authority, discuss how the contract is going to be issued. The Contracting Authority will provide direction in the following areas:
   - Competitive or sole source;
   - Justification for sole source;
   - Justification for limited tendering, by invitation only;
   - Open on MERX, RFQ or RFP or ITT;
   - Use of SELECT;
   - Use of Standing Offers;
   - Use of Supply Arrangements.

2) Once the approach has been determined, the appropriate documentation must be developed:
   - Statement of Requirements will be refined, determine methodology of evaluation; develop evaluation criteria and review with Contracting Authority;
   - Seek Project Authority for sign-off on the commitment of the funds under section 32 of the FAA;
   - Complete the Security Requirements Checklist;
   - Provide information package to Contracting Authority and the Contracting Authority will seek the required authorities to proceed to the Invitation to suppliers;
   - The Contracting Authority will review the requisition and documentation for the elements to ensure the integrity of the contracting process such as:
     - Reasonable closing date of suppliers to submit bids or proposals;
     - Completeness of documentation; no trademarks or unique designs, which are not justifiable;
     - Raise any questions with the Technical Authority, which is either the Project Manager or experts in specific fields;

3) The Contracting Authority will confirm the methods of procurement and authorities required for contract approval with the PM and will prepare the documentation appropriate to the procurement plan; such as the Instructions to Bidders; the General Conditions, any Supplementary Conditions which may be required;

4) Translation of package; the Statement of Requirements and Evaluation Criteria should be sent to translation as early as possible;

5) Package is posted on MERX or sent to limited suppliers;

6) Respond to questions from bidders through the Contracting Authority;
7) Create a team to evaluate the proposals individually, then bring the evaluation team together to reach consensus if possible, if not, use majority vote;
8) All members of the evaluation team shall sign a confidentiality agreement;
9) Prepare evaluation of the submissions:
   - Administrative review by the contracting authority;
   - Technical review by experts;
   - Summary report of evaluation and results.
10) Report prepared by Contracting Authority for sign-off by the evaluation team members;
11) Acquire any other approvals required to issue the contract;
12) Contracting Authority awards contract to successful bidder;
13) Notify unsuccessful bidders or post on MERX; advising suppliers of their right to have a debriefing if they wish and the recourse mechanisms available to them.

6.2.2 Doing Business / Project Brief

Description

This document must be used in conjunction with The Project Brief (also called Terms of Reference (TOR)), as the two documents are complimentary. The TOR describes project-specific requirements while this document deals with information common to all projects. In case of a conflict between the two documents, the requirements of the TOR override this document.

The Project Brief is a key component of the Request for Proposals (RFP) utilized by Real Property Branch (RPB) to solicit architectural and engineering services. It must describe in sufficient detail, the services to be provided by the consultant to permit the consultant to proceed with the services and may include general project information, scope of work, site and design data, and time plan specifically related to the project.

Professional and Technical Services Management should be involved at the beginning of the project to provide support and ensure that the technical aspects of are clearly identified. The time spent in ensuring a precise, concise, complete and unambiguous Project Brief is a worthwhile investment that will mitigate the number of clarification and amendments requests, the requests for additional fees or schedule extensions, and future headaches for stakeholders. In general, the design process is seen as a problem solving exercise. To allow for an adequate solution to be developed, the parameters of the problem must be clearly defined and the conditions of the resolution must also be described.

NOTE: Doing Business with RPB and a sample Project Brief is available through RPB Professional and Technical Services Management (Professional Services).

Components of the Project Brief

- **Description of Project:** defines the problem and the project parameters i.e. time frame, budget, program, design intents, objectives, priorities and approaches. It allows the project team to make more informed decisions. It is the responsibility of the Real Property Branch (RPB) and the client-user to provide the required information in a precise and concise manner. The consultant will be asked to demonstrate in their proposal what they 'understand' the project issues to be (understand the problem) so as to reassure the client that the solution proposed will address those issues (problem definition).

- **Description of Services:** defines the level of services the client expects to receive from the consultant and the project team, both in terms of professional disciplines and service delivery capacity. This section should define the appropriate effort and level of service required from the consultant and not how they should deliver their services. The consultant will be requested to demonstrate in their proposal how they intend to deliver the services and 'how'
their proposed team would best do so. This section should mirror the Project Requirements and requires diligent coordination and integration.

- **Project Administration**: defines the specifics of the project administrative context and process for the consultant and the project team.

**NOTE**: Only those requirements that are not already described specifically in standard documents (i.e. Fit-Up Standards for Government of Canada office accommodation, the National Master Specifications, etc.) would be outlined in this section.

### 6.2.3 Procurement Activities for Architecture and Engineering Consultant Services

#### PROCUREMENT ACTIVITIES FOR A&E CONSULTANT SERVICES

(Submit to Real Property Contracting Directorate Consultant Service Division)

<table>
<thead>
<tr>
<th>Document Requirements</th>
<th>General:</th>
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- Completed 9200 - including complete requisition number, financial information identifying GST/HST and include signatures in Blocks 15, 17, 18 and 19.

- Risk Management Plan (RMP) - completed as per the Project Plan - the RMP must be contract specific and should not include additional project risks.

- Security Requirements Checklist (SRCL) – must be signed if required or not and must match the 9200 form number.

**For a SELECT procurement/contract:**

- A detailed Scope of Services.

- A completed SELECT – Consultant Services Selection Form note: indicate postal code of the project location (not a government mailing station postal code such as K1A 0M3).

**Competitive requirement to be advertised on GETS (e.g. a Request for Proposals or a Request for Standing Offers, etc.):**

- A copy of the Project Brief formatted as per the RPB generic format.

- A draft of the Submissions and Evaluation Section from the Project Brief which details the evaluation criteria that will be utilized.

**Call-up against a Standing Offer or a Commitment for Services against an Open Agreement:**

- A detailed Scope of Services.

- An acceptable consultant proposal:
  - showing the level of effort by category of personnel;
  - detail of any proposed sub-consultants (including copy of quote) and detail of proposed disbursements;
  - with a signed statement that the project manager has reviewed the proposal;
  - Rates and fee are identical to those in the Standing Offer;
  - the PM has found it to be technically compliant;
  - the level of effort identified is commensurate with the work to be performed.

- Copies of approval documents if internal RPB approvals are required.

- Complete call-up checklist for call-ups against Standing Offers

**For an amendment to an existing contract/call-up:**

- A completed RPB Short Form routed through the Contract Change Management Unit.

- A detailed Scope of Services for the additional services.
6.3 Legal Nature of Consultant's Role for Architectural and Engineering Contracts

Relationships between owners of property and the consultants under contract can be very complex. In the private sector, consultants often act as 'agent' on behalf of the owner, exercising authorities and entering into binding contracts.

In the Federal Government, in PWGSC real property contracts, the consultant is not an agent of the Crown, and is not given the authority to spend public funds or enter into contracts on behalf of PWGSC. Both of these functions are delegated to the project manager (PM) through the Financial Administration Act and the departmental legislation.

It is also identified in the General Conditions of Architectural and Engineering consultant contracts that the consultant is engaged to perform consultant services and that the consultant shall NOT be regarded as an employee NOR an agent of the Crown (PWGSC).

An agent is "a person authorized by another (principal) to act for, or in place of, the principal; one entrusted with another's business and whose function is to bring about, modify, affect, accept performance of, or terminate contractual obligations between the principal and third persons."

In some instances, however, consultants may be perceived to be 'agents' of PWGSC, and where their behaviour may be construed by the court to be an 'agent' of PWGSC through words or conduct.

To ascertain whether the relationship is one of agency, the true nature of the agreement and the exact circumstances of the relationship must be considered. The relationship of principal and 'agent' can only be established with the consent (expressed or implied) of the principal and the 'agent'. An agency relationship established without expressed consent is known as "Agency by estoppel". This occurs when one person (the PM acting as an employee of PWGSC) behaves in a manner that leads another (the contractor) to believe that a third person (the consultant) has authority to act on their behalf. If the contractor enters into transactions with the consultant, as a result of the above, the consultant could be deemed to be an 'agent' of PWGSC, and PWGSC could be held responsible for any agreement between the consultant and the contractor.

Contractors are not usually familiar with the consultant's contract, and unless they receive notice of specific limitations to the consultant's authority, it may be reasonable for them to perceive the consultant as having the authority to do anything reasonably necessary to carry out duties which they are expressly authorized to do. This could lead to the consultant being seen as 'agent' of PWGSC in some situations. This is problematic for PWGSC.

If a consultant was an 'agent', the consultant would be deemed to have the legal power to alter PWGSC's legal relationship with third parties (the contractor). In other words, should the consultant instruct the contractor to do work not authorized by PWGSC, the latter could be liable to pay for that work. This situation is to be avoided.

In order to ensure that the consultant is NOT perceived as an agent or employee of PWGSC, the PM should:

- At the Pre-Planning meeting: explain and emphasize the General Conditions of the contract at the initial meeting with the consultant, particularly if the consultant is required to perform services for extended construction periods.
- make it clear to all contractors and other consultants, the exact nature of the consultant's roles, responsibilities and authorities.
- ensure all communication flow from the consultant is directed through the PM to the contractor including any contract interpretation, field directive or request for changes. Consultants provide recommendations to the PM, so that the PM can make an informed decision, however the PM remains the ultimate decision maker.
- never abrogate their responsibilities to the consultant.
- clearly demonstrate to the contractor that he/she (PM) is in charge of the project by dealing with any issues that require attention (his/her behaviour and communication should not suggest that the consultant is an agent).
- be familiar with the contents of the RFP, contract, standing offer, open agreement, and review all change orders and contemplated change notices in detail.
- attend all job meetings and review minutes for accuracy. When unable to attend a meeting, review the minutes and discuss with the consultant. Although the consultant may be 'tasked' to record the minutes, the PM must review them and sign off if he/she is in agreement with the content.
- exercise the right to override recommendations or decisions made by consultants and to accept or reject work regardless of the consultants' recommendation.
- deal with issues promptly (when they arise). If an issue is of a specialist/technical nature, seek third party advice. If there is conflicting advice, consult with various professional and technical expertise within PWGSC.
- where communications between the consultant and the contractor become contentious, seek the assistance of the Claims Management and Prevention Unit to assist in resolving the situation.

6.4 Forms and Samples and Checklist for Architectural and Engineering Contracts

Refer to Annex B- Forms required for all Procurement Activities

B.1. 9200- Requisition for Goods and Services and Construction - PWGSC/TPSGC 9200
B.2. Security Requirements Checklist - TBS/SCT 350-103
B.3. Project Information Form

Refer to Annex C- Forms, Samples and Checklists required for Architectural and Engineering Services

Forms:
C.1. Request and Approval Form: One-Stage One-Phase Request for Proposals for A&E Services
C.2. SELECT - Request for Consultant Services - PWGSC/TPSGC 154-1
C.3. SELECT - Consultant Performance Evaluation Report Form (CPERF) - PWGSC/TPSGC 2913-1

Checklists:
C.4. Procurement Activities for A&E Consultant Services
C.5. Checklist for Standing Offers
7.0 Procurement Management for Professional and Technical Services

7.1 Procurement Methodologies

Although Real Property Contracting (RPC) remains the primary contracting authority, RPB may exercise its own delegated contract authorities when engaging professional and technical services (services other than architectural and engineering services) such as drafting, project management, land appraisals, asset management planning, building conditions reports, cost estimating, financial services, soils testing, training delivery, facilitator services, etc. Exceptions are heritage services, and some specialist environmental and archaeological services which may be available within the SELECT system. Where SELECT cannot be used, verify through Acquisition Branch for various tools that might be available.

Refer to The detailed Contract Management Guide issued by Corporate Materiel Management to be used when exercising contracting authorities within the Branch. Real Property Branch may use their own contracting authority for sole source or competitive contracts up to $25K.

For requirements above the Manager’s delegated authority, refer the requirements to Acquisitions Branch who will assist the Project Manager in determining the best tool to meet their needs. A Requisition for Goods and Services (9200) is mandatory for all Professional and Technical Services where requesting procurement services from RPC. For those above the threshold, a Request for Proposal is issued through the Government Electronic Tendering System (GETS) (electronic bulletin board on Internet for public tendering).

The contract format determination will be based on the dollar value and the type of need of the requirement.

Professional and Technical Services Contracts will be issued as a result of specific needs, either through the PS-On-Line process, a sole source justification or a competitive process on the GETS, as described above.

Evaluation Methodology for P&T contracts are for the use of consultants for soils testing, building conditions reports, etc. RPB staff selects firms on the basis of their knowledge of the industry. One of the methodologies used, is the evaluation of the mandatory criteria, then the technical rated criteria then the price is evaluated as a ratio against the technical merit. For example, where the technical capabilities are evaluated, the ratio between technical merit and price may be 75% / 25%, then the price can be rated as follows:

- lowest price proposal receives a price rating of 100.
- second, third, fourth and fifth lowest prices receive price ratings of 80, 60, 40, and 20 respectively. All other price proposals receive a price rating of 0.
- the price rating is multiplied by the applicable percentage to establish the price score, 25% in this example.

P&T Contract Amendments will only be issued when additional work is required on a pre-established contract and the work is directly associated and required to be able to complete the original scope or unforeseen delays may have occurred. Where additional requirements arise, they should be the subject of a subsequent requirement, unless they directly limit the ability to complete the original mandate.

7.2 Procedures for Professional and Technical Services

When contracting for professional and technical services relating to real property, the roles and responsibilities between the consultant and the PM must be clearly defined and follow traditional relationships.

Firms providing such services as drafting, project management, land appraisals, asset management planning, building conditions reports, cost estimating, financial services, soils testing, training delivery, facilitator services, etc., are not registered within PWGSC’s SELECT sourcing systems and therefore may be contracted through a variety of methods.
When exercising contract authority for the procurement of such services RPB utilizes a generic procurement and reporting process. The use of this process mitigates inconsistencies and helps to ensure:

- adherence to and consistent application of *Government Contract Regulations*: Section 5 Bids and the Contracting Policy
- safeguarding of PWGSC and the Government of Canada interests
- mitigation against risk and liability
- uniform interface with private sector firms
- accurate reporting.

Refer to the [PWGSC Contract Management Guide](#) for detailed instructions, issued by Corporate Materiel Management.

### 7.3 Forms and Samples and Checklist for Professional and Technical Services

**Refer to Annex B- Forms required for all Procurement Activities**

- B.1. 9200 - Requisition for Goods and Services and Construction - PWGSC/TPSGC 9200
- B.2. Security Requirements Checklist - TBS/SCT 350-103
- B.3. Project Information Form

**Refer to Annex D- Forms and Samples and checklist for Professional and Technical Services**

**Forms:**
- D.1. Professional and Technical Services Contract (Short Form) - PWGSC/TPSGC 173
- D.2. Professional and Technical Services Contract Reporting Form - PWGSC/TPSGC 414
- D.3. Checklist for employer-employee relationships - PWGSC/TPSGC 563

**Samples:**
- D.4. Sample Contract Amendment Letter for Professional and Technical Services
- D.5. Sample Contract Award Letter for Professional and Technical Services

**Checklists:**
- D.6. Checklist for Project Management Activities
8.0 Procurement Management for Construction Services

Depending on the requirements a number of processes and tools are available for contracting for Construction Services, from low-dollar value within the project managers’ authority to more complex high-risk projects. The following describe the simplest processes for the least complex and low risk projects. However, the next section addresses the various combinations of Design-Build-Construction and Contract Management types of requirements.

8.1 Procurement Methodologies

The procurement methodology for construction services should be part of project planning. It is particularly important that a bidding approach be established collectively by the Project Management and Contracting teams early in a project’s development. PWGSC uses two distinct bidding approaches to solicit and evaluate offers from bidders.

1. **Tenders**, through an Invitation to Tender (ITT) or Request for Quotation (RFQ)

2. **Proposal Calls**, through a Request for Proposal (RFP), Request for Standing Offer (RFSO) or Request for Supply Arrangement (RFSA)

**Tenders** can be used when the scope of work to be delivered under the contract is fixed and finite. Bidders are invited to submit their price for providing that work. PWGSC’s objective is to obtain the technical compliance and lowest bid and lowest acceptable price for the work.

The vast majority of construction services for PWGSC projects are acquired using Tenders either through public advertisement or source lists. The estimated cost of the construction work to be tendered is the main consideration when determining whether to use public advertisement or a source list.

**Proposal Calls** are used when there is a need to acquire complex or extended construction services, usually through Construction Management or when construction is only part of the required services, as in Design-Build.

In Proposal Calls, PWGSC is looking for expertise and quality of services at the best possible price. It is therefore critical that the level of expertise and quality of service required for each project first be determined, then clearly communicated to proponents and, finally, properly evaluated by a knowledgeable and objective PWGSC selection team.

These two approaches serve different objectives. PWGSC must provide adequate information and material to bidders to ensure those objectives can be achieved.

**Bidding Approaches and Accuracy of the Scope of Services and Cost Estimates**

Sufficient information on the scope of work, as well as the administrative and procedural requirements of the project, must be clearly communicated to all bidders to allow them to prepare responsive bids. In most cases involving Tenders, the scope of the project is defined through a complete set of working drawings and specifications. To determine if the prices submitted by bidders are acceptable, Project Managers should give special attention to the preparation of detailed, pre-tender Class A cost estimates.

There are three available bidding processes for procurements subject to the trade agreements.

1. **Open Tendering**

Open Tendering is used to solicit bids for the vast majority of construction projects estimated to cost $100K or more. In this process, a Notice of Proposed Procurement (NPP) is publicly advertised and any eligible construction firm can submit a bid.
2. Selective Tendering

Selective Tendering is a two-stage process that includes two publications on the Government Electronic Tendering System (GETS). In the first stage, a published notice asks tenderers or proponents to provide a Letter of Interest and/or a Statement of Qualifications in response to the notice. In the second stage, the firms that qualified in the first stage are invited to submit bids or detailed proposals in response to a second posting on GETS. However, other bidders are also allowed to respond to the second publication and submit their bids or proposals. This process is rarely used as it is time-consuming and generally offers few advantages over other tendering approaches.

3. Limited Tendering

Limited Tendering is a process where one or more selected tenderers or proponents are invited to submit bids or proposals. Limited tendering may be used only under specific conditions such as extreme urgency brought about by unforeseeable events. When only one tenderer/proponent is invited to submit a bid or a proposal, it is usually required that an Advance Contract Award Notice (ACAN) be posted on GETS for 15 calendar days. This allows other firms to challenge the basis for the sole source selection.

4. SELECT system

The SELECT system is a database of Construction Services. It contains details of their qualifications and experience. The system provides a name or a list of names of companies that match the profile of the project defined by the Project Manager.

SELECT can be used for either competitive or non-competitive sourcing.

- Non-Competitive, for services up to $10K

SELECT identifies three companies that meet the discipline and experience profile requirements of the project. The selection is subject to a validation process by the Project Manager.

- Mini Proposal Call (competitive), for services from $10,001 up to NAFTA/AIT threshold $100K

The SELECT system can also be used to preselect companies from which proposals can be solicited. Five names are usually provided by the system. In cases where the pool of companies meet the project profile requirements is limited, three names are considered acceptable. After validation by the Project Manager, proponents interested in participating in the selection receive a Request for Proposals document issued by RPC. This document contains a description of the project and the services to be provided, outlines the submission and selection process, and provides the Terms and Conditions of any resultant contract.

Responsive proposals are then evaluated by a PWGSC selection team against criteria set up in the RFP. Subject to some clarifications, if necessary, the contract is awarded to the proponent that ranks first in the evaluation.

This combined SELECT-RFP method of soliciting proposals eliminates the perception that invited proponents have been preferentially selected.

8.1.1 Design and Construction Implementation Methodologies

There are three primary methodologies currently employed by the Real Property Branch (RPB) in the procurement of construction services in crown owned facilities:

- Design-Bid-Build (D-B-B)
- Design-Build (D-B)
- Construction Management (CM)
After the descriptions, a Comparison Table is provided to assist Contracting Authorities and Technical Authorities to determine the best option for their specific requirements.

8.1.1.1 Description

The roles, relationships and responsibilities of the contracting parties vary considerably for each methodology. Choosing the optimum methodology is a key consideration for the project team.

Many variations exist for each approach and the selection of one methodology over another should be carefully analyzed by all stakeholders during the development of the risk management plan in order to determine the inherent risks, advantages and disadvantages associated with each methodology. The selection of a particular methodology for the delivery of construction services is based upon an analysis of those risks identified in the plan that may impact the priority objectives of the project during the project's planning and implementation stages.

Informed selection of the optimum approach is based upon a review of:

- the *complexity* of the project (warehouse = low-range level, custom office building = middle-range level, a laboratory facility = high-range level).
- *priority of objectives*: cost of project vs. time of delivery vs. quality of product delivered.
- *degree of control* sought on the project by the Department (design, quality of material selection, etc.).

Each methodology has advantages and disadvantages and one may be more suitable than another for any given project. The project team must weigh both the benefits and the shortcomings of using a specific methodology on their project. Traditionally, PWGSC has accepted the D-B-B methodology as the standard delivery process for projects. Although it may be time consuming, D-B-B provides the project team with a better 'comfort level' concerning costs and quality, since design is 100% complete before construction begins (changes should be minimal) and the designer and the contractor are separate entities (reducing the opportunity for conflict of interest). In all three procurement methods, the incentive to the contractor or construction manager to deliver services and work in an effective, timely and competitive manner is identical and based upon their fee; however, the general conditions of the contract permit withholding progress payments and hence their fee if performance is not satisfactory. Construction Management and Design-Build have been used extensively in the private sector, but rarely utilized in PWGSC, although some project specific contract documents have been developed.

8.1.2 Characteristics of Construction Methodologies

8.1.2.1 Design-Bid-Build

This methodology has traditionally been used by Real Property Branch (RPB) to obtain design and construction services. It has established procedures, contracts, laws, and precedents that are familiar to the design and construction industry. The delivery process is linear. A design consultant is initially retained through a competitive proposal process, to design the project and prepare design and construction tender documents. Contractors subsequently submit competitive tenders (bids) based on the scope of work outlined in those bid documents and the successful contractor is awarded a contract to construct the project. The Department maintains maximum control of the final product (design, selection of materials) through the design process. Confirmation of the project cost is established upon receipt of bids. Relative to the delivery time of other approaches, this is generally the lengthiest methodology, as construction may only commence once the entire design is complete. The D-B-B process is utilized as the benchmark when assessing the need for other approaches. Deviations from D-B-B must be recommended and justified by a Senior Project Manager (SPM) and approved by the NCA/Regional Project Review Advisory Committee due to the inherent risks and costs associated with them.

8.1.2.2. Construction Management (CM)

This methodology is an innovative variation of D-B-B, also known as ‘fast-track’ that has recently been re-introduced in RPB. The main difference between this methodology and D-B-B is that construction may begin shortly after the design has begun. The immediate benefit is a savings in the time period between the decision to commence and the final
It is suitable for projects where time of delivery is paramount. There are two types of Construction Management exercised by PWGSC:

- Construction Manager in an Advisory capacity, and
- Construction Manager Semi – at-Risk.

In both cases, the Department retains a design consultant and a construction manager simultaneously, but under separate contracts. The construction manager acts as a consultant to the Department. When acting as an Advisor, the Construction Manager may do very limited work but generally will provide consulting type services. A Construction Manager Semi-at-Risk however will engage the trades and perform the role often carried out by a General Contractor on a standard D-B-B Project.

The Department retains full control of the project scope and budget. The construction manager works alongside the design consultant as a team member, sharing their experience (constructability, sequencing etc.) as the design evolves, taking responsibility for the detailed client requirements/performance specifications that outline the owner’s need. Unlike D-B-B or CM which generally rely on the low tender (cost only) for award, the D-B methodology is based on the best combination of technical compliance/innovation and cost. The proposal received is typically developed to such an extent that construction may commence, along the line of the CM process, with the attendant savings in time.

At each stage of implementation, the firm must demonstrate compliance with the performance specifications; the challenge to the Department lies in being able to fully describe the final product generically and completely. Flexibility to deal with change during construction is built into the contract with the provision of unit rates and sums. The Department has less control over design and material selection than D-B-B, but benefits from the latest industry innovations and knowing the final cost in advance with the least investment of capital. The impact of change to the project following award is the same as the traditional D-B-B process; the difference is that the specification is being changed rather than the full design solution. D-B is suitable for projects having a low to medium-high level of complexity such as warehouse, gymnasium, school or new standard office building where cost and time are the primary drivers.

8.1.3. Design-Build

This methodology is another variation of D-B-B and is considered a ‘best-value’ procurement method. The design consultant and the contractor are retained as a team. Competitive bids provide an innovative industry-driven design solution in response to the detailed client requirements/performance specifications that outline the owner’s need. Unlike D-B-B or CM which generally rely on the low tender (cost only) for award, the D-B methodology is based on the best combination of technical compliance/innovation and cost. The proposal received is typically developed to such an extent that construction may commence, along the line of the CM process, with the attendant savings in time.

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8.1.3.1. Construction Methodology - Design Bid Build (D-B-B)

Advantages:
- Opportunity to refine design prior to committed contract price and construction.
- Established standard contracts, risk management mechanisms, familiarity in design and construction industry.
- Department has full control over design and construction.

Disadvantages:
- Major effort required to define scope and design in advance of established bids and costs
- Lengthy consultative development and approval process
- Sensitive to changes: Changes made to design due to client requests or unforeseen site conditions during construction are expensive (may incur time delays)

Context Suitability:

- Suitable for mid to high level complexity projects where priority of cost and quality prevail over time of delivery

8.1.3.2. Construction Methodology - Construction Management (CM)

Advantages:

- Faster delivery time than D-B-B (design and construction concurrent)
- Flexibility in options to deal with changes in scope after award
- Department has full control over design and construction
- Less effort to define scope and cost before the bid
- Can draw from experience of construction manager

Disadvantages:

- Final value of contract not known until all contracts awarded
- Cost and quality may suffer
- Recently reintroduced methodology for PWGSC
- Very costly if project delayed or stopped
- No standard contract documents or processes

Context Suitability:

- Suitable for low to mid level complexity projects where priority of time and cost prevail over quality.

8.1.3.3. Construction Methodology - Design Build (D-B)

Advantages:

- Faster delivery time than D-B-B
- Cost may be established in bids prior to award and commitment to construction
- Fewer client and management resources needed

Disadvantages:

- Major effort required to develop performance specification prior to bids and thus establish cost
- Department has less control over design and construction
- Sensitive to changes: Changes to performance specification due to client requests/unforeseen site conditions during construction are expensive (may incur time delays)
- No standard contract documents
- Bidding process is expensive as honorarium need to be paid

**Context Suitability:**
- Suitable for medium level complexity projects where drivers are time and cost

### 8.2 Procedures for Construction Services

#### 8.2.1 Procurement Activities for Construction Services

#### PROCUREMENT ACTIVITIES FOR CONSTRUCTION SERVICES

(Submit to Real Property Contracting Construction Service Division)

<table>
<thead>
<tr>
<th>General:</th>
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<tbody>
<tr>
<td>• Completed 9200 - including appropriate complete requisition number, financial information identifying GST/HST and including signatures in Blocks 15, 17, 18 and 19.</td>
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<tr>
<td>• Risk Management Plan - completed as per the Project Plan - the RMP must be contract specific and should not include additional project risks.</td>
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<tr>
<td>• Security Requirements Checklist (SRCL) – Must be signed even if it’s required or not.</td>
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<tr>
<td>• An Substantive Estimate, previously called Class ‘A’ Estimate</td>
<td></td>
</tr>
<tr>
<td>• Completed Construction Tender Request Form (<a href="#">PWGSC/TPSGC 500</a>) signed.</td>
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**For a SELECT procurement/contract:**

- A complete set of construction documents which address the RPB Specifications Brief requirements.

**For a competitive requirement to be advertised on GETS:**

- A 100% complete set of construction documents which addresses the Doing Business Requirements.
- Construction documents must be posted in a bilingual format; however the initial submission to RPC can be unilingual during the review process.

**For Change Orders:**

- A copy of the originally approved RPB Short Form. (NCA only)
- A completed Change Order form with the additional work fully detailed.
- The contractor’s proposal broken down in detail.
- A statement from the consultant that the price is fair and reasonable.
- A statement from the project manager that the change order has been reviewed and the level of effort and resulting proposal is fair and reasonable.

*Note: Refer to [Annex E](#) for printable version*
8.3 Pre-Construction Start-Up Meeting

There is a need to ensure that construction briefing information and documentation being provided to a construction contractor by the project manager (PM) at the initial pre-construction meeting is recent, relevant and consistent, in order to safeguard the interests of PWGSC and provide uniform direction to all project team members.

The pre-construction start-up meeting takes place following the award of a construction contract and should not be confused with the tender review meeting (also called the pre-award meeting), which takes place, as required, prior to the award of a contract. Tender review meetings are seldom required. They are chaired by the contract officer with the PM acting in an advisory role for all technical matters. These tender review meetings would be used to assess whether the contractor understands the technical requirements of the project and/or to identify any issues/requirements that are essential to the successful delivery of the project.

RPB has a responsibility to ensure that all construction contractors are treated fairly, consistently and reasonably with respect to the information and documentation that is provided to them at the pre-construction start-up meetings. Consistency of practice will reduce frustration and confusion with respect to the roles and responsibilities of project team members, subsequent inefficiencies in project delivery, and possible exposure to risk and liability issues.

In an effort to assist the PM to achieve a successful initial pre-construction briefing meeting, and in order to promote a consistent national practice with respect to such meetings, a Project Information form and Pre-Construction Start-Up Meeting Checklist have been developed.

This documentation package provides a listing of relevant discussion items for the meeting and will help promote consistency within RPB, mitigate risk and liability, highlight roles and responsibilities of project team members, and enhance communications.

The meeting should include the consultant or in-house designer (as applicable), the client, the general contractor, the commissioning manager and the contract officer (as appropriate). The meeting should address at least each of the items identified in the appendices and minutes of the meeting should be distributed to all members. It is very important that a complete copy of the signed contract is available at this meeting for easy reference by project team members, in particular the General Conditions.

8.3.1 Pre-Construction Start-Up Meeting Checklist

All required forms will be made available to the contractor.

8.3.1.1 Responsibilities:

The contractor is obliged to complete the project in accordance with all terms and conditions of the contract and to honour the completion date as specified in the contract award letter. Where it is determined that meeting the completion date is critical, the impacts of not meeting this date should be discussed including the process for extensions of time and assessments for late completion. The contractor is responsible to provide labour, plant, material, and supervision of subcontractors in accordance with the contract. PWGSC is obliged to pay the contractor as the work proceeds, in accordance with the terms of the contract.

8.3.1.2 Communications:

The project team should be advised as to which RPB individual will be the designated departmental representative (as per the standard PWGSC construction contract). This responsibility is normally that of the project manager; however it could be a senior project manager, project officer etc.). All communications required for the project must be issued solely by that individual and the contractor (superintendent) must correspond with and take direction solely from that individual. Neither the client nor any other member of the project team is to correspond with, or issue instructions to the contractor or subcontractors. The contractor should advise all subcontractors that PWGSC will not deal with them directly except:
• as stated in the General Conditions GC 5.8 ‘Claims Against and Obligations of Contractor/Subcontractor’, or
• in the enforcement of safety requirements. PWGSC under due diligence cannot ignore a safety/critical item.

In the event that the contractor or subcontractors receive instructions or requests for information from sources other than the PM, no action should be taken by the contractor (who should immediately refer such requests to the PM). All attendees should also be advised concerning the roles of the consultant or in-house designer, the client and the contract officer who exercises the authority of Canada under the contract. It is also critical that the contractor's superintendent and their role be identified/explained as per the contract.

8.3.1.3 Construction Schedule:
The contractor will submit a schedule to the PM as per the contract requirement, which will forecast the work program and associated time lines. It must be prepared in the format and type as specified in the contract documents and is subject to acceptance by the PM.

8.3.1.4 Cost Breakdown:
No payments can be made until such time as the contractor provides a complete cost breakdown of the total contract amount to the PM. The cost breakdown is subject to review and acceptance by the PM and will form the basis for all contract payments. Cost breakdown forms 1792 are to be utilized. The methodology to determine the value to be paid for materials on site should be addressed where applicable, as well as identifying sites for storage of materials, whether the site is crown-owned or leased. The contractor should be advised that payment can be made separately for ‘materials on site’ even though they are not shown in the breakdown. Materials stored on property not owned by or leased to the crown (temporary leases can be used) and may be subject to lien by creditors.

8.3.1.5 Subcontracting:
The contractor must identify the parts of the work, and subcontractors with whom it is intended to submit a subcontract in accordance with the general conditions clause GC 3.6 ‘Subcontracting by contractor’ and cannot change a subcontractor who has been engaged without the written consent of the PM. It should be noted that the contract requires that subcontractors have the same terms and conditions as the contract in question.

8.3.1.6 Progress Payments:
Progress payments will be made monthly to the contractor based on value of completed work. The value of materials delivered, accepted and adequately protected on the site, may also be incorporated in progress payments. The contractor must utilize PWGSC contract payment forms ‘Request for Progress Payment’ (form 1792) which includes ‘cost breakdown table’, and a ‘Statutory Declaration’ (form 2835) and the applicable provincial Workplace Safety and Insurance Board/Worker’s Compensation Board (WSIB/WCB) clearance certificate and forward these documents to the PM for a progress payment request.

The transaction date is the date of receipt by the PM. This request is subject to review and acceptance by the PM, who will make revisions if necessary, certify value of work done and material delivered and accepted on site, and advise the contractor of any differences between the amount requested and the amount considered payable. Such differences, if they occur, will not delay payment in a revised amount. The contractor will indicate with a checkmark (X) the applicable stage of the request (i.e. Progress, Certificate of substantial completion, certification of completion). Parties should agree upon dates for progress payments (30 day intervals). In addition to the above requirements, no progress payments will be authorized until:

• all contract documents are signed and accepted by the PM
• contract security (bonding or other), insurance and labour conditions have been met
- all fire and safety prevention requirements have been met
- all labour conditions/insurance/bonding/fire/safety requirements/minimum wage schedule are 'posted' on site as per the applicable contract conditions
- the construction schedule has been accepted by the PM.

8.3.1.7 Photographs:
Photographs of the site should be taken for record purposes when specified, 'before' work commences. The contractor will forward one copy to the PM and will provide future progress photographs as required. When photographs are the responsibility of someone other than the general contractor, i.e. third party; procedures and processes should be established beforehand.

8.3.1.8 Progress Review Inspections and Meetings:
PWGSC requires progress review meetings to be held regularly and the PM should identify the schedule and protocol of the meetings. These will be called/ chaired by the PM and attended by the following, or their representatives: general contractor, project superintendent, consultant architects/engineers or in-house designer, subcontractors (at discretion of general contractor), site supervisor and contract officer (as required). In order to conduct effective and meaningful on-site meetings, all parties should conduct progress review inspections before such meetings and the meetings should adopt the same format as the pre-construction start-up meeting. Ensure that the most up-to-date contract conditions (General Conditions, Labour Conditions, etc.) are utilized at the time of award. Although the consultant may be tasked to record minutes of the meetings, the PM must approve and sign off the minutes and ensure copies are distributed to all concerned within a 48-60 hour period following each meeting.

8.3.1.9 Commissioning:
Advise the contractor of the need for compliance with the department's commissioning process as per the contract. An updated commissioning plan is required immediately, and the documents listed in the Pre-Construction Documentation Checklist will be required as the project develops.

8.3.1.10 Shop Drawings, Product Data, Samples and Mock-ups:
All listings of shop drawings required by the contract should be referenced and discussed and the submission process explained in detail. The contractor (not the subcontractors or suppliers) shall submit a shop drawing schedule, list of submissions, the shop drawings, product data, samples and mock-ups as specified in the contract. Following the review of shop drawings and product data, the PM will retain copies (number as specified in the contract), and return balance of the reviewed shop drawings and product data to the contractor. The contractor should be reminded that shop drawing 'turn around times' will be enforced for all responsible parties.

8.3.1.11 Contemplated Change Notices (CCN) and Change Orders (CO):
All changes or deviations from the original contract documents, whether monetary or non monetary, shall be implemented via the use of a change order. The contractor shall submit the quotation for CCN in accordance with the contract requirements.

- GC 6.4.1 'Price Determination of Costs Prior to Undertaking Changes'
- GC 6.4.2 'Price Determination Following Completion of Changes'.

The contractor must indicate what impact (if any) the CCN/CO will have on the project schedule. The contractor shall obtain written authorization from the PM for any change to contract documents prior to proceeding with any change or extra work to the contract.
Any changes and/or claims for extra work done without prior official authorization in the form of a change order will not be recognized. The contractor is responsible to ensure all subcontractors’ quotations are entirely fair/ reasonable, to avoid unnecessary delays in the issuance and payment of CO’s. All CO’s will be prepared and issued by the PM. Cost of changes cannot be included in the 'Request for Progress Payment' until the authorized CO is issued by the PM in conjunction with RPC. Note: CCN's may not be required for regular unit price contract variations or extensions of time due to conditions beyond the control of the parties involved (exceptionally bad weather, etc.).

8.3.1.12 Labour Conditions:
The contractor and subcontractors shall utilize Labour and Materials in the execution of the work as per GC 3.8 'Labour and Fair Wages'. Labour Conditions shall be posted in a conspicuous location on the project site. The contractor should be advised of their obligations in regards to the fair wages/schedule policy. In cases where non-Canadian labour or material will be utilized, the approvals process must be established and met.

8.3.1.13 Safety Regulations:
The PM should have already completed a Pre-Planning Safety Checklist to establish safety protocols and priorities for the project in order to elaborate on the safety requirements during the meeting. The contractor should be advised that they must comply with the appropriate provincial legislation/regulations for construction health and safety and that PWGSC will monitor compliance. The contractor must comply with all requirements as per the contract. The requirement for a safety plan, hazard assessment, fall protection, Workplace Hazardous Materials Information System (WHMIS), provincial Health and Safety requirements for compensation coverage, designated on-site safety person, roles/responsibilities etc. must be dealt with in detail with the contractor. All site specific requirements must also be identified. The health and safety 'Pre-Construction Checklist' should be discussed at this meeting. (Regional variations are applicable).

8.3.1.14 Bonds:
If the contractor deposits a Labour and Material Payment Bond with PWGSC, then contractor must post a copy of the bond on the project site (as per the requirements of the bond). No progress payments will be made until this requirement has been met.

8.3.1.15 Delays:
Time is of the essence in the contract. If delays are attributable to the contractor and a Certificate of Substantial Completion cannot be issued by the specified completion date, then the contractor shall be liable for all assessments and damages as per GC 5.10 'Assessments and Damages for Late Completion'. Any request for extension of completion date must be submitted in advance of the contract completion date, must be well supported by adequate reasons why the delay is beyond the contractor's control, and be accompanied by approval from the Surety as applicable as per GC 6.5 'Extension of Time'.

8.3.1.16 Certificate of Substantial Performance (interim):
When work is substantially completed, reviewed by the consultant and accepted by the PM, a Certificate of Substantial Completion may be issued at the discretion of the PM as per GC (1.1.4 'Substantial Performance'. The consultant, or in-house designer, completes the 'Certificate of Substantial Performance' (form 1796/) retaining an estimated cost for PWGSC to complete all incomplete work and/or deficiencies. The contractor must sign the 'Certificate ' form acknowledging incomplete work and deficiencies, provide Operational & Maintenance Manuals, Statutory Declaration, and the applicable provincial Workplace Safety and Insurance Board clearance certificate (updated every 60 days), and all necessary 'Authorities having Jurisdiction' certificates (see Construction Contract Close Out Process) and forward these documents to the PM. (The effective date of the Certificate will be the date of acceptance of the work by the PM (Part 'B' of the 'Inspection & Acceptance' form).
This is considered to be an extremely vital stage of the project delivery. It is the stage at which the client accepts the overall project, occupancy of the building, use of the equipment etc. and the point at which the PM may release the contractor's security deposit. PWGSC does not normally delay occupancy because a small number of deficiencies or incomplete work exists (see Correction of Minor Deficiencies).

It is however, very important to all concerned, to complete all deficiencies and incomplete work as soon as possible following the issuance of the Certificate of Substantial Completion.

8.3.1.17 Record Drawings:

The contractor shall maintain project record drawings and accurately record deviations from contract documents. Monies will be withheld if such record drawings are not provided. The contractor shall maintain one set of white prints on the project site, so that this set of plans can be updated and marked up as each change to the contract occurs. At completion of project, prior to final inspection, the contractor will neatly transfer notations to a second set and submit both sets to the PM.

8.3.1.18 Warranties and Guarantees:

The contractor shall advise all subcontractors that the duration of warranty for the project shall be twelve (12) months from the date of the Certificate of Substantial Completion for the work completed prior to that date, and twelve (12) months from the date of the Certificate of Completion for the balance of work, as per GC 3.13 'Warranty and Rectification of Defects in Work' unless specified otherwise in the contract. All warranties and guarantees are to be collected by the contractor and submitted to the PM acknowledging the dates as agreed to by PWGSC.

8.3.1.19 Warranty Inspections:

Warranty inspection dates should be established to occur approx. 2 months prior to the warranty expiration date. Warranty inspections are to include the participation of the client, owner/user, consultant or in-house designer, the contractor and main subcontractors as applicable.

8.3.1.20 Certificate of Completion (final):

A Certificate of Completion will be issued following satisfactory completion of the work, as per GC 1.1.5 'Completion'. The consultant or in-house designer will prepare a 'Certificate of Completion' form certifying that all work is complete and recommend issuance of the Certificate of Completion. The contractor will provide a 'Statutory Declaration' and the applicable provincial Workplace Safety and Insurance Board clearance certificate (updated every 60 days). The date of acceptance of the work by the PM (Part 'B' of the 'Inspection and Acceptance' form) will be the effective date of the Certificate. The contractor will also turn over record drawings, manuals, operating instructions, keys, etc.

Note: The General Conditions of the contract and specifically GC 5.5, the final certificate of completion is to be issued when "Canada is of the opinion that the Contractor has complied with the Contract and all orders and directions made pursuant thereto, and that the Work has been completed as described in GC1.1.5, Completion".

The fact that a claim may/is forthcoming is a separate issue. If the contractor has met all of the terms listed under GC 1.15 (above) the certificate of completion MUST be issued. Any delay in issuing the final certificate of completion if the terms of GC 1.1.5 have been met is not in compliance with the terms of the contract.

8.3.1.21 Permits and By-Laws:

The general contractor and all subcontractors shall comply with all federal, provincial/municipal laws and regulations and pay for all permits and certificates as stated in GC 1.8 'Laws, Permits and Taxes', and 'Applicable Laws'. The PM should re-identify the permits required by the contract.
8.3.1.22  Project Control:

The project site is available for performance of the work (X) days per week and (X) hours per day. The contractor shall ensure that the requirements related to 'Scheduling' and 'Project Control' are met. Increases in the number of personnel, materials, equipment, overtime work / additional shifts may be required. The contractor is responsible to submit and update their construction schedule to demonstrate the feasibility of, and the progress in, achieving the completion date in order to determine the impact on progress of unexpected occurrences, including changes in scope. The PM will monitor progress of the work against the schedule, including potential causes for delay such as unusual weather, material availability, additional scope, etc. and take early action to either have the contractor correct the slippage, or to authorize a reasonable extension to the completion date.

8.3.1.23  Material Delivery:

All material shall be consigned to the contractor and not PWGSC or the client. The contractor shall advise all suppliers of the proper shipping address. The PM should request that the schedule of delivery dates for major components be coordinated with the schedule for both shop drawings and the overall construction progress schedule.

8.3.1.24  Inspection Services:

The contractor shall advise the PM at least forty-eight (48) hours prior to any inspection services required by the contractor.

8.3.1.25  Mechanical, Electrical and Fire Protection Certificates:

At the completion of the project, the contractor shall obtain clearance certificates from the Fire Prevention Engineer of HRSDC, and the provincial mechanical and electrical authorities.

8.3.1.26  Risk Management Issues:

The contractor should identify items which may have an impact on their costs and schedule in order that the PM can deal with those items which are within their control.

8.3.1.27  Contractor Performance Evaluation Report:

The contractor should be advised that PWGSC will complete a contractor performance evaluation report of the contractor's services following completion of the project.

8.3.1.28  On-Site Postings:

Advise the contractor of the requirements and the importance of on-site posting of documents and that no payments can be made until this requirement is met. A listing of these requirements is available in the Pre-Construction Documentation Checklist.

8.3.1.29  Project Specific Issues:

The PM will keep all project team members advised of project specific issues as they occur. Some items of importance are:

- Contractor issues and concerns
- Security Requirements
- Fire Protection Requirements
• Environmental Requirements
• Crown supplied materials
• Work to be done by others
• Work in occupied space
• Work in confined space
• Pre-blast surveys and examination of existing adjacent structures that may be impacted
• Temporary facilities to deal with issues concerning availability/ use/ access/ security/ restrictions of site.
• Other business i.e., other agenda items identified by attendees

8.3.1.30 Contract Documentation:
The contract officer will ensure that a copy of the complete construction contract is provided for use at the pre-construction start-up meeting. This will become the responsibility of the PM should the contract officer be absent.

8.4 Management of Change Orders

The Real Property Branch (RPB) has committed to a quality assurance program of change management to ensure that accurate contract change information is generated by managers. For the purposes of this document, a change is described as any situation in which work, authorized by the PM, differs from the work described in the original contract. On construction contracts these are called ‘change orders’. They are normally associated with specific general conditions clauses in the contract and permit the PM to order additional work, make changes, etc. The fewer the number of changes the greater the chance to manage the project cost within budget, reduce delays and avoid claims. A continuous flow of changes can:

• disrupt the planning and scheduling of the work,
• result in a request for extension of time,
• create administrative burden justifying, costing and negotiating changes,
• create a need for increases in funding and contract approvals,
• give rise to delay claims,
• etc.

Changes are created by new client requirements, poorly defined original client requirements, or miscellaneous items such as site conditions, errors in design, etc. The decision to implement a change is based on the necessity for the change, additional cost of the change in relation to the budget, and the probable impact of the change on the job schedule. Consideration should be given to performing the change under a separate contract whenever possible, however, in most real property projects, the change order route is the only practicable means available for implementing the change and still meeting client expectations.

The administrative process required for the approval and processing of change orders begins with the identification of the need for a change, followed by the contractor’s quotation for the change, and the review, negotiation, approval and payment of the change. A review of the impact of a change on the project schedule must be conducted during the negotiation process and included as part of the total cost of the change, thereby decreasing the chance of delays on the project.

It must be recognized that situations occur where all delay costs cannot be evaluated initially. In cases where a change must proceed before price negotiations are finalized, a change order is issued for that portion of the work which can be identified and costed, and a statement is made on the change order to the effect that a subsequent change order (which makes reference to the initial change order) will be issued at a later date when all of the remaining delay costs can be evaluated and costed. In certain cases the evaluation of delay costs may have to be deferred until project completion.

This methodology enables the contractor to be paid for work performed under the change order on the progress claims, and minimizes the impact of the change on their cash flow and financing costs. Alternatively, an initial change order can
include an instruction to proceed with the extra work on a ‘time and material basis’ GC6.4.2 where it appears that a reasonable price will not be obtained through negotiation.

8.4.1 List of Activities for the Management of Change Orders

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<tbody>
<tr>
<td>- Definition of requirements, project planning, design, preparation of plans and specifications, and sub soil investigations have been completed.</td>
</tr>
<tr>
<td>- Clients are pre-advised that changes will delay scheduled completion date and increase costs for both the changes themselves and resultant delay costs.</td>
</tr>
<tr>
<td>- Change order review/negotiation process and contract approval authorities and limitations to be followed by the project team, client, contractor and consultant are pre-established at the time of contract award.</td>
</tr>
<tr>
<td>- A project profile and risk assessment has been completed and a pre-approved amount for anticipated amendments (PAAA) has been established with RPC.</td>
</tr>
<tr>
<td>- Appropriate estimates of the cost of the change are always prepared prior to issuing contemplated change notices.</td>
</tr>
<tr>
<td>- Sufficient funds are available within the budget, commitments under section 32 of the FAA.</td>
</tr>
<tr>
<td>- Required level of contract amendment authority is readily available.</td>
</tr>
<tr>
<td>- Reasonable time limits have been established for both the submission of the quotation and the processing of the resultant change order.</td>
</tr>
<tr>
<td>- Expected impact of the change order on the specified completion date has been established at the time the cost of the change is negotiated and is included as part of the cost of the change and, when the interim and/or final change order is issued, that this is recorded as part of the project records.</td>
</tr>
<tr>
<td>- All administrative work related to change orders is carried out promptly from the time a change is proposed until it is finalized and that delays do not occur.</td>
</tr>
</tbody>
</table>

Note: refer to Annex E for printable version
8.4.2 Contemplated Change Notice and Change Order Process

In cases where a change in the work is unavoidable, the prime consultant or in-house design team prepares a complete description of the change in work, supported by detailed drawings where necessary, as well as an estimate of the cost and the impact on the project schedule and forwards to the PM. The contractor is subsequently requested by the latter to submit a firm price and a detailed breakdown of all labour, material and equipment costs for the change. Work on the change should not proceed until the cost of the change has been agreed upon, unless the work is performed under GC 6.4.2. Price Determination following Completion of Changes.

8.4.2.1 Determination of Change Order Costs

When the contractor's quotation for a change in the work is received, it is evaluated by the consultant (or in-house design team) and approved by the PM. If the anticipated change is significant or complicated, the services of a cost consultant may also be required to establish the appropriate cost for the anticipated change. If the quotation is considered fair and reasonable, a change order should be approved and issued promptly by the PM as per the established change order approval authorities and limitations established between the client, RPC and RPB. In cases where the quotation is not reasonable, negotiations are initiated between the PM and contractor.

The General Conditions clause (GC 6.4.1) of the standard construction contract stipulate the methodology to be utilized for additions or changes for both unit price contracts and lump sum contracts. In situations where the determination of a lump sum cost is negotiated prior to undertaking the work, the price of the change is the aggregate costs of all labour, plant and material that is required for the change plus a mark-up for all supervision, coordination, administration, overhead, margin and risk of undertaking the work within the stipulated amount. The mark-up is 20% of the aggregate costs for that portion of the work done by the contractor's own forces and 15% of the aggregate costs for that portion of work undertaken by subcontract.

R2950D of the SACC Manual provides further cost estimate breakdown allowed under GC 6.4.1.

Where it is not possible to predetermine the price of the change, the actual price of the change is defined as all reasonable and proper amounts in respect of labour, plant and material (as described in the GC 6.4.2 ) that are directly attributable to the change, plus a mark-up of 10% (A Clerk of works must be on site when GC 6.4.2 is applied). This methodology is often referred to as 'cost-plus'. When this methodology is adopted, it must be as a result of a thorough risk management analysis, with a full understanding of the subsequent implications. There needs to be a risk based statement and the risk analysis must provide the capacity to measure labour and material units, time etc. Management in the client organization must be made fully aware where the nature of the change is disruptive, and agree to accept the consequences. The main problem related to this methodology is that the PM has inadequate control over the element of time, hence the contractor has little incentive to complete the work efficiently. The situations where a large number of trades people are assigned to the work can result in less productivity overall. It is difficult for the PM to monitor the time spent on the additional work, and the cost to hire additional site supervision staff to perform this task can be greater than the savings, if any, produced by performing the work on a cost-plus basis.

8.4.2.2 Standard Documentation for CCN/CO Process

The two standard forms utilized for the processing of change orders are the Contemplated Change Notice (CCN) and the Change Order (CO). It is standard practice to identify and number each and every CCN. Those CCN's which are approved are subsequently identified and costed on a CO and forwarded to the contractor for implementation. Note: Some CCN's will never materialize. Not every CCN results in a subsequent change order. Also, one change order can be issued to implement a number of CCN's.

The CCN (611) is a document utilized to identify changes for which the contractor is required to submit a quotation. Procedures for submitting a quotation are detailed in the contract documents. The procedure for CCN's is based on the premise that regardless of the estimated cost of the work covered by the CCN, the following factors must be considered:
• the decision to implement the change allows sufficient time to permit negotiation of price, securing the necessary amendment authority, ordering of material, and phasing in of the changed work with minimum disruption to the construction schedule;
• the consultant or in-house design team has prepared a complete description of the change in the work, supported by detailed drawings, sketches and specifications where necessary, together with an estimate of the cost and the impact on the project schedule (costing information should never be sent to the contractor);
• the cost estimate should always be prepared prior to the issuance of the CCN by either the consultant or in-house design team, for comparison and review at the time a quotation is received from the contractor;
• the PM approves the content of the CCN and forwards it to the contractor requesting the submission of a firm price quotation and a detailed breakdown of all labour, material and equipment costs for the change including any time impacts;
• the PM must identify if the CCN is to be applied to any pre-approved anticipated amendments (PAAAs) authority or to the change order amending authority;
• the PM must ensure that detailed information concerning all CCNs is retained on the project file, e.g.:
  - the necessity for the change to the contract,
  - the impact cost (seek advice from the Claims Prevention and Management Unit, RPB and RPC on avoidance of impact claims if necessary),
  - alternative ways to proceed (seek advice from RPC if necessary),
  - the date on which work on a change must commence,
  - the availability of funds,
  - the impact on the contract or project authority (review with client and RPC).

8.4.2.3. Exceptions

CCN's are not issued for:

• changes initiated by the contractor (the contractor's proposal replaces the CCN);
• quantity adjustments in the Unit Price Table.

The CO (610) is a document utilized to confirm the quotation received on the CCN and authorizes the contractor to proceed with the change for the price agreed. CO's are issued for all changes to a contract including no cost changes and payments for the resolution of claims. The only exception is for a change in the contract completion date on construction contracts which does not involve a change in the contract amount. For such changes an Extension of Time on Contracts (form 1801) must be utilized. The provision for extras without the use of a CO by deleting a corresponding equal value of work or through any other means is not acceptable. PM's should keep the number of CO's to a minimum to the extent possible, and ensure that CO's are:

• initiated, monitored and processed in a timely manner;
• issued in accordance with the existing contractual approval/signing authorities;
• issued only after reviewing the impact assessment and the work start-up date in relation to what existed at the CCN stage to confirm that circumstances have not changed, or to adjust the CO to circumstances that have changed;
• are inclusive of all impact costs to the extent possible;
• categorized as per the department's CO categories and codes;
• prefaced with a statement that:
  - the level of effort by the contractor has been verified,
  - CO cost is fair and reasonable,
  - CO labour hours, plant and materials are commensurate with the work to be done,
• itemized in a CO file that includes a copy of the necessary approvals, the CCN, the contractor's cost quotation(s), sub-contractors quotations (as applicable) and consultant/initiator's review and recommendation.
8.4.2.4. Guidelines for Pricing-Negotiation-Approval of Change Orders

Prerequisites:
Prior to commencing price determination with a contractor for a change, the PM should know the dimensions of the change, cost, source of funding and time impact on the overall project. He/she should also have a thorough knowledge of the technology involved, pertinent contract documents and the market as to availability and cost of labour, materials, services and equipment and ensure that a detailed departmental estimate is provided by the prime consultant, cost consultant or in-house resource discipline specialists.

General:
The objective is to reach agreement on an equitable price within a reasonable time. The contract provides three methods of determining the cost of a change: contract unit prices, negotiation and cost plus. Contract conditions also apply to subcontractors and prices for subcontracted work will be determined on the same basis as for the contractor. Both parties have the right to use the cost-plus method of determining prices when negotiations fail. If it is obvious that a change will result in a delay, every effort will be made to negotiate a price including delay or expediting costs. If problems of a serious nature are encountered in handling the delay aspect, the change order should be issued to provide for the cost of the work only and the delay aspect will be treated at a later date. When dealing with the contractor on changes, the PM must only refer to the contract and not to departmental policies or guidelines.

Pricing:

Unit Prices - Application and Determination

- When there are appropriate contract unit prices specified within the contract they will be used to determine the cost of a change.
- If new unit prices are required, they should be negotiated at the beginning of the project and using equivalent contract prices or similar prices on other contracts as a guide. Normal competitive prices in the area should also be considered.
- If reasonable prices cannot be negotiated as outlined above, they may be determined using a detailed price breakdown as a basis. This may be done by negotiation as outlined below or on a cost-plus basis as outlined in the contract.

Negotiation:

- Obtain a detailed statement from the contractor, showing the cost of the labour, plant and materials; review the departmental estimate and the contractor's quotation and identify and analyze areas of significant disagreement.
- Review with the contractor:
  - the circumstances leading to the contemplated change;
  - the contractor's quotation, outlining areas of agreement with the departmental estimate and areas of significant disagreement, in that order.
- Consider carefully the total amount involved.
- Strive to settle small amounts quickly and with a minimum of effort.
- Respond to contractor's quotations promptly, recognizing that prolonged negotiation may lead to a claim or delay.
- For areas of significant disagreement:
  - consider the contractor's rationale for the cost attributable to the various elements involved;
  - request more detailed information if required;
  - promote supporting arguments in favour of the department's position on price, available technology, productivity, market trends, subcontractor's mark-up, resources and other circumstances peculiar to the work;
  - attempt to persuade the contractor to accept the departmental position and failing this, a reasonable compromise.
The most important principle for successful negotiation is to obtain good information, including a detailed departmental estimate and a detailed quotation from the contractor and his subcontractors involved in the change.

Failing Negotiations:

- GC's of the contract outline a method for the determination of cost when agreement cannot be reached. They provide for payment of costs as outlined in the contract plus an allowance of 10% for overhead, profit and other expenses for which payment is not provided under the contract (referred to as cost-plus).
- Whenever work is carried out on a cost-plus basis, procedures for monitoring the work should be established before work starts. Whenever payment is made under cost-plus, the contractor will substantiate all costs claimed with itemized accounting together with appropriate supporting data.

8.4.2.5 Change Order Approval Authority- Real Property Branch VS Real Property Contracting

Contract authority for real property contracts and change orders rests with two branches within PWGSC, namely Real Property Branch (RPB) and Real Property Contracting (RPC). These two branches must work closely together when awarding and amending contracts. RPB is the technical authority and is responsible for the funding and management of the project and the assurance of value for money. It has limited contract authority to award and issue change orders on projects (the limits of delegated contract authority are established annually by the Assistant Deputy Minister). RPC is the primary contract authority and is responsible for contract management and for ensuring integrity and fairness.

8.4.3 NCR Change Order Process

(Note: all regions have variations in their CCN and CO approvals and processes but the principals remain the same)

8.4.3.1 Contract Change Management Unit Overview (NCR only)

In the National Capital Area, the CCN and CO process is facilitated by a centralized Contract Change Management Unit (CCMU) which:

- provides a qualitative review, coordination, monitoring and follow-up function;
- ensures consistency in approach;
- provides a centralized interface between the technical authority (RPB) and the contractual authority (RPC) to resolve problems;
- provides a fast track specialized service for urgent projects and emergency work;
- captures CCN and CO data for planning, analysis and reporting purposes;
- provide advice to PM's on contract changes and PAAA management during construction.

8.4.3.2 Contemplated Change Notice Process:

1. prepare Contemplated Change Notice (CCN) identifying the change to the contractor
2. issue the CCN to the contractor in order to obtain a quotation
3. Determine that the quotation received is fair and reasonable
4. Ensure that the funds are available

The following applies only to the NCR:

a. Prepare Short Form (SF)\(^1\) to obtain pre-approval from RPC (NCR only)
b. Complete the SF, forward to the Senior Project Manager for their review and approval

c. Senior Project Manager to review and approves, and forwards to the Contract Change Management Unit

d. Contract Change Management Unit will review the Short Form and forward to Real Property Contracting for approval

e. Once approved by Real Property Contracting the SF and will be returned electronically to the Project Manager and Contract Change Management Unit

f. The Project Manager can then authorize the contractor to proceed with change

**NOTE:** Work cannot proceed until contractual approval has been provided by RPC and the quotation received is within the approved amount and is fair and reasonable.

5. Project Manager can now prepare the Change Order

### 8.4.4 Temporary Change Order docket:

1. Complete Change Order (CO)
2. Original Signatures are required in the “Recommended” box on left hand side of CO.
4. The following documents are required in the docket:
   - Change Order - (Original)
   - Construction Contract Change Order Log
   - Copy of the CCN
   - Plans, Drawings (if practical)
   - Quotation (cost breakdown, applicable overhead and profit) from the contractor and sub-contractors
   - Copy of the Short Form (approved) *(NCR only)*
   - Statement indicating that the price is fair and reasonable

5. Forward Change Order temporary docket to Senior PM for their review.
6. Obtain appropriate signatures.
7. Forward the Change Order docket to Real Property Contracting
   a. **In NCR all temporary dockets must be sent to the Contract Change Management Unit for review prior to sending to Real Property Contracting**

8. Real Property Contracting will approve the Change Order and return the docket to the Project Manager

**All Change Orders approved under RPB authority**

Short Forms are not required but a copy of the approved Change Order and Change Order Log must be sent to Real Property Contracting and the Contract Change Management Unit *(NCR Only)*
8.5 Ratifications

Definition: Verbal authorization or approval to start work by someone who does not have the authority thus requiring approval after the fact, by the proper approval authority.

Project Managers through the Senior Project Manager’s and Regional Managers and shall advise the Real Property Director when the contract is at Risk*.

RISK is when, Contracting authority, and/or Project funding are forecasted to exceed the original approvals or when the ratio of spending and % of project completion, are disproportionate (e.g. 60% spend versus 30% of work done).

If a problem is foreseen, a Mitigation Plan shall be prepared. The Mitigation Plan will identify the various steps and recommendations to avoid any possible ratification (e.g. increase the Pre-approved Amount for Anticipated Amendments, get additional funding, don’t do the work)

- Project Manager shall prepare the Mitigation Plan with the involvement of the Senior Project Manager/Project Leader/Asset Manager and/or the Real Property Director as appropriate.
- Mitigation Plan shall be approved by the Real Property Director.
- As required the Real Property Director will escalate to Senior Levels.

In order to mitigate/avoid ratifications RPB has developed the Change Order Log to track and inform senior management on the status of a project.

- All Real Property Branch Contracts (construction & A&E Consultants) shall require a Change Order Log.
- Change Orders and Amendments cannot be approved unless accompanied by a Change Order Log which addresses contract and or/project funding.
- Mandatory Change Order Log to accompany Change Orders and Amendments.
- Real Property Branch Senior Project Manager, Regional Manager, Project Manager & Director review projects “at risk”.
- Project team prepares Mitigation Plan to address Risk issue(s).
- Director approves Mitigation Plan and raises to senior levels as required.

8.6 Extension of Time on Construction Contracts

The Real Property Branch (RPB) has adopted a generic quality assurance process for the approval/rejection of extensions of time on construction contracts. Project managers (PM) are responsible to implement this process to ensure:

- adherence to and consistent application of Government Contract Regulations;
- safeguarding of PWGSC interests;
- mitigation against risk and liability;
- uniform interface with private sector firms;
- application of contractual requirements;
  - for construction:
    - that PWGSC has the means (by denying a time extension) to recover its damages due to contractor delay (per GC 5.10) Assessments and Damages for Late Completion;)
    - that the contractor is relieved from liability for damages for delay when PWGSC has caused delay or is in breach of contract;
for other types of contracts:
- extension of time is granted when the work has to continue after the contract date, therefore, if there is no approval of extension, the contractor will also stop working;
- establishment a new contract completion date with time to remain of the essence;
- prevention of time for completion of the works becoming indefinite.

Failure by PWGSC to deal appropriately with issues of delay/disruptions and extensions of time will compromise the department's position in enforcing its rights to claim for damages or defend itself against claims from contractors.

The requirement for the contractor to submit an application to extend the original completion date of the work is specified in the General Conditions of the PWGSC standard construction contracts. Extension of time can be granted/refused up to the date fixed by the contract for completion of the work. Applications for extensions of time should be made and dealt with as soon as the event causing the delay arises. Applications for extensions may be repeated as often as the contractor feels it is necessary, provided it is received by the PM before the date previously fixed for completion of the work. If the contractor fails to meet this deadline then the application for extension should be rejected, as time must remain of the essence per GC 1.5.

All requests for an extension submitted by the Contractor must be accompanied by consent of the Surety. It should be noted that an assessment for damages shall be levied against the contractor at the time the Certificate of Substantial Performance is being issued. The certification process at Substantial must be done diligently, as defects or damages discovered after the issuance of the certificate are difficult to have corrected and damages difficult to recover. An extension should be granted only if the reasons for the delay were beyond the contractor's control or if, in the opinion of the PM, the contractor has made every effort to complete the work on time but was unable to do so (e.g. unforeseen site conditions). Compensable extensions to the contractor, if applicable, are to be granted per GC6.2.

If the reasons for the delay were under the control of the contractor then any request for an extension should be rejected and the contractor assessed damages for the late completion as per GC5.10.

Where the contractor is delayed in completing the works, it will usually be exposed to additional costs, irrespective of who caused the delay. The contractor will often attempt to recover its delay costs beyond the original contractual completion date by means of a claim. Thus it is important to determine the cause of the delay, which could be partly caused by PWGSC, the contractor or consultant. It is also essential to identify and quantify the exact causes of delay at the time of occurrence when the events are current, rather than months or years later, when attempting to negotiate a claim settlement.

The most effective method of substantiating/quantifying delays is by time impact analysis of the critical path and floats from the project baseline (master) schedule. In cases of projects being completed beyond the original contractual completion date, analysis of 'as-planned' vs. impacted 'as-built' schedules. It is the responsibility of the contractor to demonstrate the delays or disruptions and concurrence is to be obtained at the time of occurrence or as near to it as possible, failing which the dispute is to be settled promptly by dispute resolution methods included in the contract.

8.6.1 Roles and Responsibilities in the Approval Process for Extension of Time on Construction Contracts

8.6.1.1 Requesting an Extension of Time

The request for an extension of time can be made prior to, during, or after it has been determined that PWGSC has caused delay or disruption that will prolong the contract duration.
The Project Manager:

- ensures that the contractor's application is received on PWGSC form 1801 ‘Extension of Time on Contract’. The use of PWGSC ‘Change Order’ form is not acceptable for this purpose. Once an extension of time has been granted, compensable PWGSC-delay costs to the contractor may then be dealt with by the issuance of a Change Order.

- ensures that the form is completed thoroughly with all relevant substantiation for the extension.

- ensures that the contractor's request includes:
  - written consent of the Surety agreeing to bond the project for the additional timeframe requested or,
  - a new or amended letter of credit accompanies the application for extension in cases where the new completion date is beyond the expiry date and confirmation of availability of extended insurance coverage (in cases where contract security is in the form of a letter of credit).

8.6.1.2 Determining Entitlement to an Extension of Time

Applications for extensions of time should be made and dealt with as close in time as possible to the delay event that gives rise to the application. The contractor will potentially be entitled to an extension of time for causes of delay attributable to PWGSC. The parties should attempt whenever possible to deal with the impact of PWGSC caused delays/disruptions as the work proceeds, both in terms of extension of time and additional compensation. The practice of a "wait and see" approach to impact of delays/disruptions is not encouraged. Where it is not possible to determine entitlement at the time of a delay-related impact, this can be performed retrospectively after project completion by using various forms of schedule analyses and referring to project records.

The Project Manager

- reviews to determine if the additional time requested is for reasons that were clearly beyond the contractor's control (e.g. strikes by trade contractors or suppliers, unusually bad weather, delays caused by PWGSC or a client department, delays in the delivery of material where the contractor made a best effort, etc.);

- reviews to determine if the new timeframe requested is reasonable.

8.6.1.3 Granting an Extension of Time

The granting of an Extension of Time does not automatically lead to entitlement to compensation. Once it has been established that compensation for a prolongation is due, the evaluation of the amount compensable is made by reference to the period when the effect of the Crown-caused delay occurred, when, for example, the contractor might have had fifty (50) workers on site, corresponding plant and equipment, etc. Conversely, compensation for an extension is not to be calculated by reference to the post-contractual extended period, when the contractor might have had only three (3) workers on site. Compensation for prolongation should not be paid for anything other than work actually done, time actually taken up or loss and expense actually suffered, which is over and above the direct costs incurred for changes to the work (change orders). Extensions of time can be approved (though normally not reimbursed) for delays resulting from a “force majeure”.

The Project Manager

- recommends approval of the extension by signing Part 1 of form 1801;

- provides supporting documentation and written confirmation (stating that the reasons for the delay were clearly beyond the Contractor's control) to the contacting officer for approval.

NOTE: (This is a discretionary provision on behalf of the PM but an extension should not be unreasonably withheld if the reasons for the delay were beyond the control of the contractor).
The Contracting Officer

- approves the extension (where justification is reasonable) by signing Part 2 of form 1801 which will authorize a change in the completion date as described in the contract or as may have been previously amended.
- ensures that copies of form 1801 are distributed as follows:
  - original is forwarded for financial processing;
  - one executed copy placed on project file and contract file;
  - one executed copy forwarded to the contractor.

8.6.1.4 Rejecting an Extension of Time

In every case of rejection whereby PWGSC finds the contractor entirely liable for delay, a formal letter of notice must be issued to the contractor detailing why the request was rejected. This letter must indicate that the contractor is completing the work at their own expense and that PWGSC may assess and/or charge back all of its additional costs resulting from the delay. It also has to indicate what is considered an acceptable revised completion date and that if the works are not completed by that time, the work may be taken out of the contractor's hands.

In cases where the PM and/or contracting officer do not agree that the reasons for the delay support an extension of time, the request for the extension must NOT be approved and the following actions taken:

The Project Manager must

- advise the contractor (in writing) of the rejection as soon as possible, by completing the 'Recommendation' portion of form 1801 (a check mark should be placed in box 2 and the PM must sign the identified signature block) and return the form to the contractor with a copy to the contracting officer. The contractor may then have the opportunity to protest this decision.
- retain a detailed itemized account of all PWGSC additional quantifiable costs for the period commencing at the previously agreed completion date up to the day before issuance of the Interim Certificate.
- per GC 5.10, ensure that all additional costs and quantifiable damages resulting from the delay are deducted from the contractor's final payment in cases where the cause of the delay is attributable to of the contractor (e.g. additional consultant fees, inspection costs, rental costs, etc.).

The Contract Officer must:

- assist the PM (as applicable) in cases of rebuttal or protest by the contractor.

Note: Similar procedures should be followed if even a portion of the delay was beyond the contractor's control. In this case, the portion of the delay that was beyond the contractor's control and the portion that was deemed to be the responsibility of the contractor should be clearly identified on form 1801. This can be an onerous task and must be done prior to the rejection process by qualified schedulers, in collaboration with the contractor. Should the contractor not wish to participate in the determination process, then a decision shall be imposed by PWGSC.

8.7 Correction of Deficiencies on Construction Contracts

(Applicable where total estimate for outstanding deficiencies and incomplete work, complies with the requirements under G.C. 1.1.4.)

Correction of deficiencies on PWGSC construction contracts is one of the major causes of delay associated with successful project completion. In many cases, the majority of work has been completed/accepted in accordance with the contract, but the contractor is delaying completion of the balance of work for unknown reasons (i.e., working on other projects requiring attention, regards the completion of deficiencies as unimportant, etc.). The Real Property Branch (RPB) has developed a consistent contracting methodology in cases where correction of deficiencies is completed by forces other than those of the original contractor (see "Action Plan for Correction of Deficiencies" (section 8.7.1)). The intent of these documents is to provide a formatted approach to deal with the correction of deficiencies in a consistent and urgent manner.
Under the standard PWGSC construction contract, the contractor must correct all deficiencies promptly as they occur. The project manager (PM) is responsible to identify all deficiencies and direct the contractor to correct them. When deficiencies are not corrected within a reasonable period of time, and when circumstances causing the delay are within the control of the contractor, the deficiencies should be completed by other methods and not be permitted to remain outstanding. In such cases, the PM must contact the contract officer in Real Property Contracting (RPC) to ensure that the process/documentation required to initiate such action is concise, relevant, prompt, consistent, and lawful within the contract, in order to mitigate liabilities and safeguard the interests of PWGSC and the client.

NOTE: For all sample letters, contact the Claims Prevention and Management Unit at CSI UPGR - ISC CPMU, they will assist in the creation of a letter based on the circumstance at hand.

8.7.1 Action Plan for Correction of Deficiencies

The Project Manager should promptly:

- Identify all apparent deficiencies/incomplete work on a single coordinated listing and have this listing signed by the contractor and consultant. Include a disclaimer clause on the inspection document to the effect that the listing is complete / comprehensive but only at the time of inspection and also a statement that the contractor remains responsible for any other deficiencies that may become apparent during the warranty period (or such other longer period as may be required by law). Substantiate listing by use of site videos or photographs in problem cases.
- Ensure sufficient monies are retained in the 'holdback' to have these deficiencies corrected by the Surety or an alternate contractor, should this become necessary.
- Review the deficiency listing with the consultant and establish a reasonable schedule for the commencement and completion of the deficiencies.
- Contact the Senior Project Manager (SPM), the Contract Change Management Unit (NCA only) and the contract officer to jointly establish contract strategy and issue an official 'notice' under the contract, via double registered mail. Provide copies to the SPM, client, contract officer, CCMC, financial officer, consultant and Surety (where applicable).
- Inspect the work site on the day following the date established for correction of deficiencies, and record all remaining outstanding deficiencies. Site photographs should again be taken for possible future need.
- Should all deficiencies not be completed, advise all the same stakeholders, identify the outstanding deficiencies and incomplete work in sufficient detail for other contractors to submit quotations and prepare a credit change order for RPC approval. Jointly develop with the contract officer, a contracting strategy for completion of this work. (Surety or 3 to 5 names from the SELECT system, etc.).
- Immediately issue a Contractor Performance Evaluation Report Form (CPERF).
- Maintain precise records detailing all related additional costs incurred by PWGSC to complete the work.

The Contract Authority should promptly:

- Obtain legal services sign offs, assist PM in the 'crafting' of the 'notice' letter for RPB signature (see "Sample Notice Letter").
- Where the contractor has failed to comply with the 'notice', prepare a second letter for Director RPC/RDG signature to officially advise the contractor that PWGSC is terminating the contract or taking this portion of work out of his/her hands, as per the terms of the contract, and will have it completed by another firm. The notice should indicate that the work will be completed by other means, they will be assessed and that the Crown reserves the right, if necessary, to use the contract security or bond. The letter will also reiterate the consequences resulting from this action as previously described in the letter of 'notice' (see sample letter 'Termination/Taking Work out of
the Contractor's Hands'). Provide cc's to client, SPM, PM, CCMC (NCA only), financial officer, consultant and Surety (where applicable).

- The project manager shall consult with RPC as to the best way to proceed. It is likely that for deficiencies PWGSC would not ask the Surety to take over but rather we would inform them that we would complete ourselves through a new contract.
- The estimated amount required to correct all deficiencies and complete the remainder of the work will be assessed on the interim certificate.
- The work to be completed shall be tendered in accordance with Departmental tendering policies. The actual method will depend on complexity and value.
- Award a new contract, with concurrence of the PM, with either a work order, minor works, or major works standard construction contract (depending on risk, complexity and dollar value) utilizing funding obtained from the credit change order.
- Once the work has been completed, advise the PM to return any balance of contract monies to the original contractor (less any assessments for possible costs incurred by PWGSC to complete). The actual cost of completing the work will be assessed on the final certificate.

8.8 Forms, Samples and Checklists for Construction Services

Refer to Annex B - Forms required for all Procurement Activities

B.1. 9200 - Requisition for Goods and Services and Construction - PWGSC/TPSGC 9200
B.2. Security Requirements Checklist - TBS/SCT 350-103 (PDF: 758KB)
B.3. Project Information Form

Refer to Annex E - Forms, Samples and Checklists for Construction Services

Forms:

E.1. Construction Tender Request (PWGSC/TPSGC 500)
E.2. SELECT - Request for Construction Services - PWGSC/TPSGC 154
E.3. Extension of Time on Contracts - PWGSC/TPSGC 1801
E.4. On Site Instruction - PWGSC/TPSGC 599
E.5. Contemplated Change Notice - PWGSC/TPSGC 611
E.6. Short Form - Approval for Contract Change
E.7. Change Order form - PWGSC/TPSGC 610
E.8. Request for Progress Payment – PW GSC/TPSGC 1792
E.9. Certificate of Substantial Performance - PWGSC/TPSGC 1796
E.10. Certificate of Completion (Final) - PWGSC/TPSGC 1797
E.11. SELECT - Contractor Performance Evaluation Report Form (CPERF) - PWGSC/TPSGC 2913
E.12. Statutory Declaration - PWGSC/TPSGC 2835

[1] To obtain a copy of this form, please contact the NCA Contract Change Management Unit at RCNCentremoddecontrats.NCAChangeOrderCentre@tpsgc-pwgsc.gc.ca
**9.0 Utilization of Standing Offers in Real Property Contracting**

Where requirements are repetitive, Real Property Contracting (RPC) may determine that the Standing Offer approach better meets the needs, therefore, a Request for Standing Offer would be established through competitive process, a number of firms would be qualified and ranked and it would allow Project Managers to request a Call-ups against the Standing Offers to contract directly with the consultants for services. As an extension of internal resources, Standing Offer consultants may provide services for smaller comprehensive projects, single discipline projects, or perform discrete parts of a project (e.g. options analysis, feasibility studies, project requirements, value engineering, etc.).

There are a number of different types of standing offers for a great number of different commodities. The SO will be developed based on the potential usage by the targeted clients. The various types are:

- National Master Standing Offer (NMSO): may be used by any department across Canada and Call-ups may be made by any manager who has the authority to use standing offers.
- National Departmental Standing Offer (NDSO): usage will be limited only to the specific department who has this type of special requirement and will be issued only for that department for use across Canada.
- Regional Individual Standing Offer (RISO): issued for one department in a specific region.
- Regional Master Standing Offer (NMSO): issued for the use of all departments in a specific region.
- Departmental Individual Standing Offer (DISO): Standing Offer issued for a very specific and specialised departmental requirement cannot be used by any other department.

A Standing Offer allows a Project Manager to retain consulting services within a prearranged scope and at prearranged fees (e.g. hourly rates, price per sm., price per unit) under set terms and conditions, when and if the services are requested. Standing Offers are established following a competitive consultant selection process. It usually involves a single-stage, one-phase Request for Standing Offer (RFSO) posted on GETS. The upper limit for the Offer reflects PWGSC operational needs and is usually indicated in the RFSO, RPC can provide the name of the various discipline managers.

No contract exists until RPC issues a call-up against the Standing Offer. Each call-up indicates acceptance by PWGSC of the Offer to the extent of the work to be done. Some RFSOs result in multiple Standing Offers for the same services. Call-ups are then distributed amongst the firms in accordance with a predetermined percentage of the anticipated business.

Project Managers can use Standing Offers only for the services described in the original RFSO document. All conditions and provisions concerning the scope and price of the offered consulting services must be respected. Fees for an individual call-up must correspond with the prices pre-established in the original Offer(s). All other conditions of a call-up must also reflect those stipulated in the offer.

Maximum call-ups could be between $150K and $1M depending on the discipline and the region.
In the NCR, prior to initiating any call-up, the Project Manager must contact a discipline manager assigned to each RFSO. RPC can provide the name of the appropriate Discipline manager.
9.1 Real Property Branch Standing Offer Categories

Various standing offers (SO) have been established to assist the Real Property Branch (RPB) and project managers (PM) in the delivery of services to clients. These Standing Offers are described in their own specific area, addressed previously.

These SO's are categorized as follows:

- Architectural Heritage Conservation
- Architectural General
- Building Condition Reporting
- Claims Analysis
- Cost Specialists
- Environmental Engineering
- Functional Programming
- Insurance Adjuster Services
- Interior Design Services
- Landscape Architectural
- Mechanical & Electrical Engineering
- Municipal Engineering
- Project Management Support
- Scheduling Services
- Structural Engineering

9.2 Accountabilities for Real Property Branch Standing Offers

9.2.1 General:

Precise terms of reference with distinct deliverables must be identified for each Standing Offer (SO) call-up to ensure seamless services. Specific accountabilities between Real Property Branch (RPB) project managers (PM) and consultants must be established and apportioned to ensure that all areas of accountability are addressed within a particular call-up.

9.2.2 Project Management Accountability Framework:

RPB delivers project management services within a federal framework of acts, policies, regulations, standards and codes etc. with accountabilities grouped into three broad categories that must be clarified with consultants for each call-up:

Corporate Accountability: PM's must conduct themselves and their project activities to reflect:

- government core values that evolve around probity (ethics), transparency (government contract regulations) and prudence (risk management),
- government agenda at all levels including social, political, and environmental,
- RPB agenda (sustainable development, PWGSC Fit-up Standards, etc.).

Due Diligence Accountability: PM's must demonstrate due diligence in the planning and delivery of their projects, in the following areas:

- regulatory obligations re: health/safety/environment: (Ministry of Environment and Energy, Human Resources and Skills Development Canada, Environment Canada, etc.),
- non-regulatory obligations (TB guidelines, accessibility, National Capital Commission, Federal Heritage Buildings Review Office, etc.).

Client Services Accountability: PM's must provide or coordinate a broad range of services
- client issues,
- knowledgeable interface,
- project management services related to all integration, scope, time, cost, quality, communications, human resources, procurement, risk, etc.

9.2.3 Project Manager Responsibility

PMs must:
- be responsible for the overall project,
- describe accountabilities of the consultant (i.e. support services to the PM) on each call-up,
- list the decision making responsibilities delegated to the consultant and ensure that these are within the parameters of the SO. (i.e. authority for design changes, on-site solutions, etc.),
- ensure accountability separation between project management and SO management.

9.2.4 Discipline Manager Responsibility (NCR only)

Discipline managers represent the ‘technical authority’ and are responsible as ‘coordinators’ to oversee the SO’s and act as the sole interface with RPC for all subsequent call-ups to help ensure:

- concurrent and consistent access to a number of consulting firms,
- adherence to and consistent application of government contract regulations,
- optimal use of the SO,
- safeguarding of PWGSC interests,
- mitigation against risk and liability as it pertains to use of SO,
- uniform interface with SO consultants,
- accurate reporting through RPC.

9.2.5 Design Manager Responsibility

Design Manager’s provide a quality assurance role for the PM by reviewing the consultant services at various key stages in the delivery process to ensure the quality and content of the documents and that the TOR are detailed and applicable to the SO deliverables. They also provide advice on consultant costs and performance.

Note: for architectural and interior design call-ups, the design managers are also required to assist clients in the development of comprehensive functional requirements.
9.3 Using the Workload Distribution Model

(Processes vary in regions based on geography, volume and value of work. However, to the extent possible, the following process is the current standard being promoted by the Real Property Branch (RPB) to ensure national consistency in the use of standing offers (SO) project management support services).

NOTE: For the purposes of this document, ‘terms of reference’ (TOR), also known as project brief, scope of work, statement of work, required services etc., is used to identify the technical description of a project.

The standard Call-Up procedures for the Departmental Individual Standing Offers are:

- The Project Manager (PM) approaches the Discipline Manager (DM) for permission to use the standing offers. DM reviews the project Terms of Reference (TOR) to ensure that the services fit within the scope of the standing offers and to verify the quality of the document.

- If TOR fits within Scope of standing offers, the Discipline Manager sends an E-mail to RPC, contracting authority, providing tombstone information (project number, brief description, name of PM, and fee estimate including disbursements and GST/HST).

- Within 24 hours (48 worst case), RPC provides the Discipline Manager with the name of the consultant to approach and authority to approach the consultant. Discipline Manager provides the name to the PM as well as a copy of these procedures.

- PM provides TOR (preferably in .pdf) to the named consultant and requests a fee proposal in accordance with the terms and conditions and format specified in the standing offer - i.e. category of personnel, name of personnel and the number of hours estimated/required to perform the services, as well as an estimate of proposed disbursements, if applicable. Fees must use the hourly rates specified in the applicable standing offer.

Refer to the Annex F for Generic Call-up Checklist (For the use of Standing Offers)

- If consultant declines the work, it must be in writing (E-mail is sufficient) and the DM advises RPC of the refusal. RPC will provide another consultant name to the DM. PM should give sufficient time to the Consultants to respond to the request, (48 hours) to indicate their availability to perform the work.

The fee proposal and any subsequent revisions to the TOR are to be reviewed by the DM to ensure that the proposal reflects a suitable level of effort for the work to be performed and to ensure technical compliance with the required scope.

Any fee proposal over $100K (including GST/HST and PAAA) requires approval by the applicable Senior Project Manager (SPM). Verify local and regional financial and contracting authorities before signing any Call-Up against a Standing Offer.

Project Documentation, including the funded 9200, Risk Management Plan and PAAA calculation, final TOR, Consultant’s Proposal, DM’s statement agreeing to the consultant’s proposal is fair and reasonable and Security Requirement Check List (SRCL) if applicable, are sent to RPC for action (preferably as one package).
9.4 Project Management Standing Offer

Project Management Support Services Standing Offers (PMSS) were established and designed to assist PM's with their day to day workload for planning and implementation of projects. They provide project management support services to supplement in-house project management services on specific phases of larger projects, but are primarily used for projects of smaller dollar values and for ‘bulking’ of the program of small projects.

They also provide senior project managers (SPM) and PM's with a more preferable contracting option than utilizing individual professional and technical services contracts.

SO consultants provide support services to PM's but are not employees of PWGSC. PM's remain responsible for overall project management.

When contracting for Project Management Support Services (PMSS) (refer to Annex F) the roles and responsibilities between the consultant and PM are less distinguishable since the consultant is providing project management support services which would otherwise be provided by in-house PM's themselves. PM's remain fully responsible and accountable for meeting corporate goals, objectives and specific project requirements. Given the nature and similarity of PMSS with in-house project management services, a clear definition of roles, responsibilities, authorities and accountabilities must be established to ensure delivery of seamless project management services to clients. Misinterpretation of roles and responsibilities within a particular project could lead to errors, omissions, duplication of services and undue risks which could greatly affect the quality of the services and products provided, not to mention potential additional costs.

NOTE: The total amount of an individual call-up cannot exceed the call-up limitation established under the SO agreement. This amount includes the fee, disbursements, PAAA and GST/HST. All call-ups must have a specific TOR with clearly defined services and deliverables.

9.5 Authorities

RPC will issue Standing Offers to meet departmental and client needs. However, managers may have the delegated authority to issue Call-Ups against Standing Offers. They vary under various disciplines with respect to the total values, call-up limits, documentation requirements, fee reservation limitations and terms and conditions. Early discussion with the appropriate discipline manager is required. For call-ups against a SO up to $100,000 (GST/HST included), discipline manager authority is required. Call-ups above $100,000 (GST/HST included) or use of multiple standing offers require the discipline manager and Senior Project Manager’ approval (for NCA) or discipline manager and Regional Manager/Regional Director General (for other regions).

The current call-up limits include the fee, disbursements, GST/HST and PAAA. It represents the limit over the life of the call-up (contract).

9.6 Forms, Samples and Checklist for the use of Standing Offers

Refer to Annex F-Forms and Samples and Checklist for the use of Standing Offers

   F.1. Generic Call-up Checklist (for the use of Standing Offers)
   F.2. Checklist for Project Management Consultant Services
   F.3. Statement of Work-Template for a Call-up for Project Management Services
10 Emergency Contract Awards and Process

10.1 Condition

There is an increased need within RPB to ensure compliance with Government Contract Regulations related to the application of emergency contracting authorities. There is an even greater need for RPB's professional/technical input to ensure the exercise of due diligence in cases of emergencies. RPB managers, by virtue of their professional and technical training, have a 'heightened responsibility' to report and ensure that emergency situations are dealt with, whether on a PWGSC project or otherwise. Departments are delegated limited sole source contracting authorities. In its role as the government's contracting authority, PWGSC has, subject to various trade agreements, greater delegated authorities than most other departments.

Section 6 of the Government Contracts Regulations contains four 'exceptions' that permit the contracting authority to set aside the requirement to solicit bids. One of these exceptions is: "the need is one of pressing emergency in which delay would be injurious to the public interest". Emergencies are normally unavoidable and require immediate action which would preclude the solicitation of formal bids. Treasury Board defines an 'emergency' as:

- an actual or imminent life-threatening situation
- a disaster which endangers the quality of life or has resulted in the loss of life
- or a situation that may result in significant loss or damage to Crown property

When considering use of this exception, it is recommended that RPB managers (when feasible) contact the Real Property Contracting (RPC) to discuss contracting options and strategies. In those rare cases of emergencies, where events do not permit for RPB and RPC interface, RPB may exercise their 'Emergency Contracting Authorities', entering into and amending a contract up to a total value of $1,000,000 (including amendments and all applicable taxes GST/HST) in response to a pressing emergency. In cases where such contracts and amendments are above the departments' delegated authorities, a report (not a Treasury Board submission) is also required, and must be sent to the Treasury Board Secretariat within 60 days of the authorization or beginning of the work.

As an additional authority, the Minister of PWGSC may enter into a non-competitive contract up to a total value of $15,000,000 in response to pressing emergencies by departments where there will be significant human and/or financial risks on condition that a report be sent to the Treasury Board Secretariat within 60 days of the authorization or beginning of work.

This additional authority can only be used if all of the following criteria can be met:

- the Minister invokes the National Security or Extreme Urgency provisions of the applicable trade agreements
- the requirement cannot be satisfied by normal contracting procedures due to the urgency of the situation; and
- the applicable departmental Minister approves the use of these special authorities as stated in Part III, Emergency Contracting Limit - T.B. Contracting Policy - Appendix C
10.2  Guidelines for Treasury Board Report for Emergency Contracting

10.2.1  Guidelines

The report to the Treasury Board, with accompanying Briefing Note to the Minister should include the following key data:

1. detailed information about the circumstances of the emergency situation;
2. the type and total value of awarded contracts;
3. the reason(s) why standard bidding requirements were not practical or permissible;
4. the department or agency's delegated contracting authority level at which the emergency contract entry was approved.

When feasible, this expanded contracting authority should be used to enter into lower dollar value contracts to address the emergency. An emergency situation does not necessarily imply that all the contracts related to the resolution of the emergency need to be awarded on an 'emergency basis' or as 'sole source contracts'. For example, it may be feasible to award an emergency sole source contract to a consultant to prepare design plans for remedial work, so that, while design work is underway, RPB and RPC can devise interim contracting strategies for a competitive award process for the follow-up construction contracts. Although the solution may not allow the time required for a standard solicitation process, it could nevertheless initiate some sort of competitive process for the construction aspects i.e. invited tenders.

When an emergency situation exists and RPB have confirmed that the emergency complies with the TB definition of 'emergency', there are a number of necessary steps the project manager must take place to ensure the exercise of prompt professional/technical responsibility for due diligence:

- obtain senior management approval and advise client and RPC of the decision to enter into emergency contracts;
- assume such responsibility when senior management authority is not immediately available;
- where verbal contracts were initiated, execute an official contract as soon as practicable after the commencement of the emergency work;
- where time permits, develop contracting strategies with RPC with an objective to soliciting some type of competitive contracts within a 'fast-track' schedule. Where time does not permit, advise RPC, and proceed with lower dollar sole source contracts to address the immediate emergency. As this work proceeds, develop additional contract award and amendment strategies with RPC where feasible. If necessary, amend the sole source contracts once the scope of the work involved is better defined or award additional new sole source contracts where such action is the only alternative;
- in cases where emergency contracting authorities have been exercised, and the estimated or actual contract values exceed the delegated departmental contract authorities, complete a Briefing Note and a Report to the Treasury Board within 60 days of the authorization or beginning of the work.

10.3  Forms, Samples and Checklists for Emergency Contracting

Refer to Annex G – Forms, Samples and Checklists required For Emergency Contract

G.1.  Sample Briefing Note (Emergency Contract)

G.2.  Sample Report to the Treasury Board (Emergency Contract)
11 Guidelines for Audit Criteria for Construction Contracts

Purpose

To provide guidance in the application of General Condition 2.8 of the Standard Acquisition Clauses and Conditions (SACC) Manual. The guideline will ensure that the Crown is receiving value for money and is in line with the related provisions outlined within the Standard Acquisition Clauses and Conditions (SACC) Manual.

Background

In 2007 an audit was conducted by Office of Audit and Evaluation on 50 construction contracts from two regional offices. The audit was intended to identify to what extent an adequate management control framework was in place, ensuring effective and efficient delivery of construction services, as well as compliance with contracting legislation, policies and procedures. One of the recommendations was to ensure that construction contracts include a more detailed audit provision.


1.) The contractor shall, in addition to the requirements expressed in paragraph 6) of GC 3.4, “Execution of the Work”, maintain full records of the Contractor’s estimated and actual costs of the Work together with all tender calls, quotations, contracts, correspondence, invoices, receipts and vouchers relating thereto, and shall make them available on request to audit and inspection by Canada and the Deputy Receiver General for Canada or by persons designated to act on behalf of either or both of them.

2.) The Contractor shall allow any of the persons referred to in paragraph 1) of GC 2.8 to make copies of and take extracts from any of the records and material, and shall furnish such persons or entities with any information those persons or entities may require from time to time in connection with such records and material.

3.) The Contractor shall maintain and keep the records until the expiration of two years after the date that a Certificate of Completion has been issued or until the expiration of such other period of time as Canada may direct.

4.) The Contractor shall cause all subcontractors at any tier and all other persons directly or indirectly controlled by or affiliated with the Contractor and all persons directly or indirectly having control of the Contract or to comply with the requirements of this clause as if they were the Contractor.

Consideration

Project Managers with the authorization of the Senior Project Manager/Regional Manager and the support of the Contracting Officer should consider conducting an audit of contractor records as outlined in the SACC Manual clauses above, in circumstances where one of the following applies:

1) The Project Complexity and Risk Assessment is a level 4;

2) The tender has only one compliant bidder or;

3) The project is in a location where regular site monitoring is difficult or impossible i.e. remote location, concealed site (underwater/sealed structure);

Questions regarding the requirements stated above may be discussed with your Senior Project Manager, Regional Manager or the Director of Advisory and Practices (Project Delivery).
Annexes
Annex A - Definitions

Call-up - contract against the Standing Offer (SO) agreement with specific terms of reference and services for a specific project.

Computerized Distribution System - tracks all call-ups assigned to each consultant and maintains an aggregate total of the value of business distributed (which also contains an ideal business distribution percentage for each consultant).

Contracting Officer - an employee of Real Property Contracting (RPC) providing the function of contracting authority responsible for the award and the day-to-day administration of the contract and ensuring the integrity of the contracting process and that contracting policies and procedures are followed.

Design Manager - an employee providing the function of design management, a broad and comprehensive role that includes quality assurance services and requires a clear understanding of project objectives/constraints. It is a collaborative role providing strategic and technical advice to the PM while ensuring the design services related to the project are of a level and quality that meet the expectations of all stakeholders throughout all phases of the project. The level and scope of design management services is determined based upon the size and complexity of a project.

Director - an employee responsible for the day-to-day management in a RPB organization.

Discipline Expert - a professional or technical expert in the field of architecture, interior design, engineering, or project management in the Real Property Branch (RPB).

Discipline Manager - an employee responsible for the day-to-day management of the SO in NCA. This employee is not necessarily the unit manager. In the regions an employee providing this function could be a discipline manager or senior project manager.

GST/HSTI - Goods and services tax included.

PAAA - Pre-approved amount for anticipated amendments.

Project Manager (PM) - an employee responsible for the day-to-day management of the project.

Senior Manager - an employee responsible for the day-to-day management of the project manager or discipline manager for non Real Property Team (RPT) based projects.

Senior Project Manager (SPM) - an employee responsible for the day-to-day management of projects, project managers and the delivery of all architectural and engineering services to the real property teams.

Standing Offer (SO) - an offer from a consultant to deliver a specific set of services as described in the Request for Standing Offer (RFSO) at an agreed basis of pricing (based on unit prices and/or hourly rates as prescribed in each offer) for those services on an 'as and when required' basis in accordance with a prescribed set of terms and conditions. Limits for SO's are established in each RFSO.

Terms of reference (TOR) (also known as project brief or scope of work) - is the technical description of the project, including project name, project description, project background, existing documentation, project objectives, required services, project budget and the scheduled milestones, and any other relevant specific requirements.

Professional and technical services contract is a contract which may or may not include the provision of advice for the acquisition of professional services e.g. cost estimating, drafting, project management, financial services etc. This type of contract must not be utilized in any of the following situations:

- Architectural and engineering design services;
- Situations creating an employee/employer relationship;
- Project management services which are more appropriately obtained via standing offers;
- Similar repetitive or reoccurring services where standing offers are more appropriate and the use is mandatory.
Annex B – Forms, Samples and Checklists Required for all Procurement
B.1 Requisition for Goods and Services and Construction

9200 - Requisition for Goods and Services and Construction

Guidelines for Completion of the Requisition Form (9200):

Available in SIGMA, the Requisition for Goods and Services and Construction (9200) is a form required by Real Property Contracting (RPC) in order to initiate the procurement process. It provides the contracting officer with the key technical and administrative project information, and confirmation that funding for the contract is in place.

To ensure consistency, ease administrative burden and enhance the overall procurement process, guidelines for the completion of the 9200 have been developed, as well as individual checklists for the procurement of consultant, construction and maintenance services. The accurate completion of this form, with appropriate checklist, is a key function of the process and will reduce turnaround significantly.

These guidelines are intended for project managers in RPB forwarding requisitions to RPC. To facilitate use of these guidelines, a sample 9200 form has been adapted with "Block Numbers" to assist in completing the form itself.

The primary real property contracting requirements are for architectural and engineering services, construction services or maintenance services. Within the RPC organization, there are individual units specializing in each type of contact and the completed 9200 and appropriate checklist should be forwarded directly to the appropriate unit manager. Requirements not involving real property, (e.g. the purchase of screens) should be forwarded to the appropriate acquisition group.

<table>
<thead>
<tr>
<th>Block Numbers</th>
<th>Description</th>
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<tbody>
<tr>
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<td>Contract Number</td>
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<td>5</td>
<td>Project Description</td>
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<td>6</td>
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<td>Contract Terms</td>
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<td>9</td>
<td>Contracting Officer</td>
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<td>10</td>
<td>Approving Official</td>
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<tr>
<td>11</td>
<td>Contracting Office Signature</td>
</tr>
</tbody>
</table>

For example, in the example form:

- **Block Number 1:** Requisition No. 1234
- **Block Number 2:** Project Number 5678
- **Block Number 3:** Contract Number 9101
- **Block Number 4:** Contracting Office Real Property Contracting
- **Block Number 5:** Project Description
- **Block Number 6:** Estimated Cost $50,000
- **Block Number 7:** Contract Duration 12 months
- **Block Number 8:** Contract Terms
- **Block Number 9:** Contracting Officer John Smith
- **Block Number 10:** Approving Official Jane Doe
- **Block Number 11:** Contracting Office Signature
### Project Manager to insert:

| Block 1 | The address of the applicable RPC organization i.e.:  
|         | (for NCA the address is):  
|         | Real Property Contracting, 3C2, Place du Portage, Phase III,  
|         | 11 Laurier Street,  
|         | Gatineau, Québec K1A 0S5,  
|         | Attn.: applicable Unit Manager  
| Block 2 | Numbers 2a to 2c are to be used for amendments only.  
| a)     | Amendment number  
| b)     | Estimated increase/decrease amount from previous 9200 amount  
| c)     | Previously submitted 9200 amount  
| Block 3 | Current approved funding amount (GST/HST inc) for this contract requirement only.  
|         | Total project funding should not be shown here. There is no need to have funding for PAAAs. The amount identified here must be at least equal to the total amount identified in block number 8.  
| Block 4 | Originator’s name, tel. number and organization. This must be a PWGSC employee  
| Block 5 | Name and tel. number of individual managing the project (may be a consultant acting as project manager). A cellular phone number and facsimile number should be provided if available (can be put in the space identified as number 6).  
| Block 6 | Leave blank  
| Block 7 | Financial code and/or project number. A separate GST/HST line item should be provided here. Finally, a total line should be provided. The PAAA amount should not be included in this block.  
| Block 8 | Estimated amount of the required services in line with the financial code. On a separate line identify the GST/HST amount.  
| Block 9 | Accounting office codes or consignee codes are issued by Materiel Management and pertain to a specific asset. Business staff on the project teams are familiar with these codes.  
| Block 10 | Requisition number (e.g. EP008 02 3112) as follows:  
|         | 5 digits for the order office (consignee code)  
|         | 2 digits for the fiscal year (e.g., 09 for fiscal year 2009/2010)  
|         | 4 digits for the serial number  
| Block 11 | SIGMA generated  
| Block 12 | Full address including postal code to which delivery of services is to be made.  
| Block 13 | Full address including postal code to where the invoices are to be mailed.  
| Block 14 | Title/description (including building/project location) of services (be concise and reflective of the work as it may become the description utilized to solicit proposals/tenders).  
| Block 15 | Indicate if requirement has any special security requirements. If yes, then a Security Requirements Checklist (SRCL) must be attached.  
| Block 16 | Enter any special instructions or items that should be brought to the attention of the contracting officer e.g. 99% plans and specs attached, sole source requirement, GST/HST included, additional phone/fax numbers, call-up or commitment, requested amount for PAAA etc. Should additional space be required use page 2 of the 9200 form.  
| Block 17 | To be signed by the Project Manager.  
| Block 18 | To be signed by a Financial Officer or Business Manager who has the authority to sign against the Financial Administration Act.  
| Block 19 | To be signed by the Senior Project Manager/Manager. Note: this signature is mandatory.  

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B.2. Security Requirements Checklist - TBS/SCT 350-103

Security Requirements Checklist - TBS/SCT 350-103
### Project Information Form

*(to be completed for all projects)*

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<th>Project Number:__________</th>
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</table>

| Project Title:____________________________________________________________ |
| Project Description:________________________________________________________________ |

| Const. Start Date:___________     Const. Completion Date:___________ |
|----------------------------------|-------------------------------|

#### CONSULTANTS

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#### CONTRACTORS

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#### PWGSC

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<td>Telephone/Fax</td>
<td></td>
<td></td>
</tr>
<tr>
<td>E-mail</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cell</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### CLIENTS

<table>
<thead>
<tr>
<th>Client Representative</th>
<th>Commissioning Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td></td>
</tr>
<tr>
<td>Title</td>
<td></td>
</tr>
<tr>
<td>Address</td>
<td></td>
</tr>
<tr>
<td>Telephone/Fax</td>
<td></td>
</tr>
<tr>
<td>E-mail</td>
<td></td>
</tr>
<tr>
<td>Cell</td>
<td></td>
</tr>
</tbody>
</table>
Annex C – Forms, Samples and Checklists Required for Architectural and Engineering Services
Annex C-Forms

C.1. SELECT - Request for Consultant Services - PWGSC/TPSGC 154-1

C.2. SELECT - Consultant Performance Evaluation Report Form (CPERF) - PWGSC/TPSGC 2913-1
C.3. Request and Approval Form One-Stage One-Phase Request for Proposals for A&E Services

Request and Approval Form
One-Stage One-Phase Request for Proposals for A&E Services

<table>
<thead>
<tr>
<th>Description and Location of Project:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description of Services Requested:</td>
</tr>
</tbody>
</table>

| Estimated fees (including disbursements, PAAA, GST/HST) (Should be less than $150K) | $ ____________ |

<table>
<thead>
<tr>
<th>Justification Criteria</th>
<th>Indicate with ‘X’</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requirement is for single discipline, i.e. architects with no engineering disciplines as sub-consultants or minimal input from second or third engineering disciplines; or engineers (heavy civil engineering) where input from other sub-consulting engineering disciplines (marine, geotechnical) is minimal</td>
<td></td>
</tr>
<tr>
<td>Work is specialized and, regardless of the estimated fee value, only a few firms provide the services (e.g. archaeological/heritage architecture services etc.)</td>
<td></td>
</tr>
<tr>
<td>Responses from proponents are expected to be limited.</td>
<td></td>
</tr>
<tr>
<td>Urgency, where delay has serious negative social or economic impacts (to be justified on per case basis with RPC concurrence)</td>
<td></td>
</tr>
</tbody>
</table>

Recommended by:

____________________________________ Project Manager Date: _______________

____________________________________ Manager/SPM Date: _______________

Procurement strategy approved and professional associations have been advised:

Approved by:

______________________ Director/RM (RPB) Date: _______________

______________________ Director RPC Date: _______________
### C.4. Procurement Activities for A&E Consultant Services

#### PROCUREMENT ACTIVITIES FOR A&E CONSULTANT SERVICES

(Submit to Real Property Contracting Directorate Consultant Service Division)

<table>
<thead>
<tr>
<th>Document Requirements</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General:</strong></td>
<td>✓</td>
</tr>
<tr>
<td>• Completed 9200 - including complete requisition number, financial information identifying GST/HST and include signatures in Blocks 15, 17, 18 and 19.</td>
<td></td>
</tr>
<tr>
<td>• Risk Management Plan (RMP) - completed as per the Project Plan - the RMP must be contract specific and should not include additional project risks.</td>
<td></td>
</tr>
<tr>
<td>• Security Requirements Checklist (SRCL) – must be signed if required or not and must match the 9200 form number.</td>
<td></td>
</tr>
</tbody>
</table>

**For a SELECT procurement/contract:**

- A detailed Scope of Services.
- A completed SELECT - Consultant Services Selection Form - note: indicate postal code of the project location (not a government mailing station postal code such as K1A 0M3).

**Competitive requirement to be advertised on GETS (e.g. a Request for Proposals or a Request for Standing Offers, etc.):**

- A copy of the Project Brief formatted as per the RPB generic format. RPC also refers to this document as “the front-end”
- A draft of the Submissions and Evaluation Section from the Project Brief which details the evaluation criteria that will be utilized.

**Call-up against a Standing Offer or a Commitment for Services against an Open Agreement:**

- A detailed Scope of Services.
- An acceptable consultant proposal:
  - showing the level of effort by category of personnel;
  - detail of any proposed sub-consultants (including copy of quote) and detail of proposed disbursements;
  - with a signed statement that the project manager has reviewed the proposal;
  - Rates and fee are identical to those in the Standing Offer;
  - the PM has found it to be technically compliant;
  - the level of effort identified is commensurate with the work to be performed.
- Copies of approval documents if internal RPB approvals are required.
- Complete call-up checklist for call-ups against Standing Offers

**For an amendment to an existing contract/call-up:**

- A completed RPB Short Form routed through the Contract Change Management Unit.
- A detailed Scope of Services for the additional services.
- The consultant’s proposal broken down in detail.
- A statement from the project manager that the proposal has been reviewed and is fair and reasonable.
### C.5. Generic Call-up Checklist (for the Use of Standing Offers)

<table>
<thead>
<tr>
<th><strong>Approval to use Standing Offer</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Permission from the RPB Discipline Managers (DM) must be obtained to utilize the Standing Offer. For all Disciplines, RPC requires an E-mail from the DM stating that he/she has reviewed the Terms of Reference and that the services fit within the scope of the standing offers. This review is done prior to RPC providing the name of the Consultant to approach. The DM also reviews the fee proposal for an assessment of the proposed level of effort and other documentation, especially changes in scope prior to the PM sending the 9200, Risk Management Plan and file documentation to RPC for processing.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>SPM Approval is required when</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Call-up is over $100,000. (including GST/HST &amp; PAAA). PM seeks this approval through E-mail to the relevant SPM.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Sub-Consultant Substitution</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>This should not happen when using the standing offers, as the prime consultant is required to use the designated subs where specified in the standing offer.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>PAAA/Risk Management Plan</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>PAAA must be broken down by risk category and amount.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>TOR</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Should be project specific and complement the Required Services described in the Standing Offers. Do not add services. Use the Generic TOR developed by the DM’s. Your TOR must be reviewed by the DM.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Are Construction Documents required in both official languages</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>If the construction estimate is over $100K and it will be tendered through RPC, the tender documents must be bilingual before going to MERX.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Check for Security Requirements</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>The 9200 contains a designated section for Security purposes. If security does not apply to your call-up, tick the &quot;No&quot; box and signature remains mandatory. If there is security, an SRCL form needs to be filled out and accompany the 9200, and signature is mandatory in this section of the 9200.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Fee Proposal</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Must be broken down using the hourly rates in accordance with Standing Offer and must show the level of effort for each category of personnel. If the proposal includes sub-consultants other than the ones stipulated in the Standing Offer, these sub-consultants are treated as disbursements and paid at cost upon submission of invoice.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Fee Proposal is Fair and Reasonable, Technical proposal is Compliant</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>RPC requires a statement from the PM that the proposal is fair and reasonable, that the proposal has been reviewed and is technically compliant with the TOR. Special attention is to be paid to assessing the level of effort put forward by the Consultants. Things to look out for - too senior personnel being used, too many hours for work proposed? Do not assess proposed fees on a % basis - assess the proposed hours.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Completion Date</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>What is the anticipated completion date of the call-up?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Disbursements</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>If the consultant has indicated disbursements will be extra - RPC requires an amount and description of each proposed disbursement. Note in the majority of the standing offers, standard disbursements are already included in the hourly rates, refer to standing offer for details.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>9200 Form</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Must be signed on all mandatory sections, invoicing instructions clearly indicated. Current funding is funding for this call-up only - not project funding (it should include GST but does not include the PAAA). Please provide PM’s fax number. The security Section must be filled out (yes or no, and signature). Disregard the box referring to Privileged Administrative Arrangement. Please quote standing offer and reserve number and forward relevant correspondence to RPC in one package i.e. E-mail, facsimile, or hard copy.</td>
</tr>
</tbody>
</table>
Annex D – Forms, Samples and Checklists Required for Professional and Technical Services
Annex D - Forms

D.1. Professional and Technical Services Contract (Short Form) - PWGSC/TPSGC 173

D.2. Professional and Technical Services Contract Reporting Form - PWGSC/TPSGC 414

D.3. Checklist for employer-employee relationships - PWGSC/TPSGC 563
D.4. Sample Contract Award Letter for Professional and Technical Services

Date: Our file:

Contractor Name and Address
Attention:

Re: Project Number:
Contract Number:
Procurement Business Number:
Contract Description:

This is to advise you that your firm’s offer to provide services for the above referenced is accepted, with fees and other costs as proposed.

Two copies of the signed contract are enclosed for your countersignature. Kindly have both originals signed by your authorized representative and a witness and return one original to my attention at the above noted address.

This letter authorizes you to proceed with the performance of the services subject to the terms and conditions of the legal document, however, no payment may be made until we have received our original of the document duly signed by both parties.

All project correspondence and invoices must be forwarded to my attention, quoting the above project and contract numbers.

If you require additional information, please contact me in writing or by phone at (insert telephone number).

Yours truly,

Real Property Branch

Encl.
D.5. Sample Contract Amendment Letter for Professional and Technical Services

PWGSC Address

Date: Our file:

Contractor Name and Address
Attention:

Re: Project Number:
   Contract Number:
   Amendment Number:
   Procurement Business Number:
   Amendment Description:

Enclosed please find two signed copies of an amendment to your contract.

Kindly sign and have your authorized representative's signature witnessed and return one original to my attention at the above noted address.

It should be noted that no payment for these services may be made until we have received our original of the amendment duly signed by both parties.

Yours truly,

Real Property Branch

Encl.
## List of Activities for the Management of Change Orders

### List of Activities for the Management of Change Orders

(All administrative work related to change orders is carried out promptly from the time a change is proposed until it is finalized and that delays do not occur.)

<table>
<thead>
<tr>
<th>ACTIVITIES:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Definition of requirements, project planning, design, preparation of plans and specifications, and sub soil investigations have been completed.</td>
<td>✔</td>
</tr>
<tr>
<td>• Clients are pre-advised that changes will delay scheduled completion date and increase costs for both the changes themselves and resultant delay costs.</td>
<td></td>
</tr>
<tr>
<td>• Change order review/negotiation process and contract approval authorities and limitations to be followed by the project team, client, contractor and consultant are pre-established at the time of contract award.</td>
<td></td>
</tr>
<tr>
<td>• A project profile and risk assessment has been completed and a pre-approved amount for anticipated amendments (PAAA) has been established with RPC.</td>
<td></td>
</tr>
<tr>
<td>• Appropriate estimates of the cost of the change are always prepared prior to issuing contemplated change notices.</td>
<td></td>
</tr>
<tr>
<td>• Sufficient funds are available within the budget, commitments under section 32 of the FAA.</td>
<td></td>
</tr>
<tr>
<td>• Required level of contract amendment authority is readily available.</td>
<td></td>
</tr>
<tr>
<td>• Reasonable time limits have been established for both the submission of the quotation and the processing of the resultant change order.</td>
<td></td>
</tr>
<tr>
<td>• Expected impact of the change order on the specified completion date has been established at the time the cost of the change is negotiated and is included as part of the cost of the change and, when the interim and/or final change order is issued, that this is recorded as part of the project records.</td>
<td></td>
</tr>
<tr>
<td>• Definition of requirements, project planning, design, preparation of plans and specifications, and sub soil investigations have been completed.</td>
<td></td>
</tr>
</tbody>
</table>
Annex E – Forms, Samples and Checklists Required for Construction Services
Annex E – Forms

E.1. Construction Tender Request - PWGSC/TPSGC 500
E.2. SELECT - Request for Construction Services - PWGSC/TPSGC 154
E.3. Extension of Time on Contracts - PWGSC/TPSGC 1801
E.4. On Site Instruction - PWGSC/TPSGC 599
E.5. Contemplated Change Notice - PWGSC/TPSGC 611
E.6. Short Form - Approval for Contract Change\(^2\)
E.7. Change Order form - PWGSC/TPSGC 610
E.8. Request for Progress Payment - PWGSC/TPSGC 1792
E.9. Certificate of Substantial Performance - PWGSC/TPSGC 1796
E.10. Certificate of Completion (Final) - PWGSC/TPSGC 1797
E.11. SELECT - Contractor Performance Evaluation Report Form (CPERF) - PWGSC/TPSGC 2913
E.12. Statutory Declaration - PWGSC/TPSGC 2835

\(^2\) To obtain a copy of this form, please contact the NCA Contract Change Management Unit at RCNCentremoddecontrats.NCACHangeOrderCentre@tpsgc-pwgsc.gc.ca.
E.13. Sample Quotation for CCN

Sample Quotation for CCN

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Material Cost</th>
<th>Total Material</th>
<th>Hours</th>
<th>Labour Rate</th>
<th>Total Labour</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1</td>
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<tr>
<td>1.2</td>
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<tr>
<td>Item 2</td>
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<tr>
<td>2.1</td>
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<td>2.2</td>
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<td>2.3</td>
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<td>...</td>
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</tr>
</tbody>
</table>

Sub-Total A $  

Sub-Total A $  

Total A  

Under GC 6.4.1 Price Determination Prior to Undertaking Changes

A - Work by Own Forces

Total A: $__________

Overhead/Profit Margin 20%: $__________

Grand Total A: $__________

B - Work by Subcontractors (if applicable)

Note: Subcontractors quotations and breakdowns need to be supported by same breakdown as above.

Total B: $__________

Overhead/Profit Margin 15%: $__________

Grand Total B: $__________

Total A + B: $__________

If the amount of the work exceed $50,000.00, details required on the contractor's quotation and the allowable expenses and margins are specified in the contract (R2860D: Delay and changes in the Work) (R2950D: Allowable Costs for Contract Changes Under GC6.4.1).
Under GC 6.4.2 Price Determination Following Completion of Changes

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Material Cost</th>
<th>Total Material</th>
<th>Hours</th>
<th>Labour Rate</th>
<th>Total Labour</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item 1</td>
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<td>Item 2</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Sub-Total A</th>
<th>$</th>
<th>Sub-Total</th>
<th>$</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Total A (Sum Subtotals A)</th>
<th>$</th>
</tr>
</thead>
</table>

A - Work by Own Forces

<table>
<thead>
<tr>
<th>Total A:</th>
<th>$__________</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overhead/Profit Margin 10 %:</td>
<td>$__________</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Grand Total A:</th>
<th>$__________</th>
</tr>
</thead>
</table>

The details required on the contractor's quotation and the allowable expenses and margins are specified in the contract (R2860D: Delay and changes in the Work)
## E.14. Procurement for Construction Services

### PROCUREMENT ACTIVITIES FOR CONSTRUCTION SERVICES

(Submit to Real Property Contracting Construction Service Division)

<table>
<thead>
<tr>
<th>Document Requirements</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General:</strong></td>
<td>✓</td>
</tr>
<tr>
<td>• Completed 9200 - including appropriate complete requisition number, financial information identifying GST/HST and including signatures in Blocks 15, 17, 18 and 19.</td>
<td></td>
</tr>
<tr>
<td>• Risk Management Plan - completed as per the Project Plan - the RMP must be contract specific and should not include additional project risks.</td>
<td></td>
</tr>
<tr>
<td>• Security Requirements Checklist (SRCL) – Must be signed even required or not.</td>
<td></td>
</tr>
<tr>
<td>• A Substantive Estimate, previously called Class 'A' Estimate.</td>
<td></td>
</tr>
<tr>
<td>• Completed Construction Tender Request Form (PWGSC/TPSGC 500) signed.</td>
<td></td>
</tr>
<tr>
<td><strong>For a SELECT procurement/contract:</strong></td>
<td></td>
</tr>
<tr>
<td>• A complete set of construction documents which address the RPB Specifications Brief requirements.</td>
<td></td>
</tr>
<tr>
<td>• A completed SELECT - Construction Services Selection Form (PWGSC/TPSGC 154) - note: indicate postal code of the project location (not a government mailing station postal code such as K1A 0M3).</td>
<td></td>
</tr>
<tr>
<td><strong>For a competitive requirement to be advertised on GETS:</strong></td>
<td></td>
</tr>
<tr>
<td>• A 100% complete set of construction documents which addresses the RPB Specifications Brief Requirements.</td>
<td></td>
</tr>
<tr>
<td>• Construction documents must be posted in a bilingual format; however the initial submission to RPC can be unilingual during the review process.</td>
<td></td>
</tr>
<tr>
<td><strong>For Change Orders:</strong></td>
<td></td>
</tr>
<tr>
<td>• A copy of the originally approved RPB Short Form.</td>
<td></td>
</tr>
<tr>
<td>• A completed Change Order form with the additional work fully detailed.</td>
<td></td>
</tr>
<tr>
<td>• The contractor’s proposal broken down in detail.</td>
<td></td>
</tr>
<tr>
<td>• A statement from <strong>the consultant</strong> that the price is fair and reasonable.</td>
<td></td>
</tr>
<tr>
<td>• A statement from <strong>the project manager</strong> that the change order has been reviewed and the level of effort and resulting proposal is fair and reasonable.</td>
<td></td>
</tr>
</tbody>
</table>
# E.15. Pre-Construction Start-Up Meeting Checklist

<table>
<thead>
<tr>
<th>Pre-Construction Start-Up Meeting Checklist</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Responsibilities</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• confirm completion date, the expectations of PWGSC and discuss impacts of not meeting completion date</td>
<td>✓</td>
</tr>
<tr>
<td>• contractor is responsible to provide labour and materials and for supervision of subcontractors</td>
<td></td>
</tr>
<tr>
<td>• PWGSC is obliged to pay contractor as work proceeds</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Communications</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• all notices/directions/orders/other communications must be issued by the PM</td>
<td></td>
</tr>
<tr>
<td>• no action to be taken on requests received from other sources (inform subs and suppliers) and refer any such instructions or requests to the PM</td>
<td></td>
</tr>
<tr>
<td>• PWGSC will not deal directly with subcontractors except as stated in GC 5.8 or in the enforcement of safety requirements</td>
<td></td>
</tr>
<tr>
<td>• roles of all team members should be clarified i.e. the contract officer represents the ‘Minister’</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Construction Schedule</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• schedule (format and type specified) is required and no payment will be made until this requirement is met</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cost Breakdown</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• discuss the methodology for determination of the value to be paid for materials ‘on site’</td>
<td></td>
</tr>
<tr>
<td>• cost breakdown (when received and accepted) will form the basis of all contract payments and no payments will be made until this requirement is met</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Subcontracting</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• identification of subcontractors and that no changes or substitutions may take place without written consent of PWGSC</td>
<td></td>
</tr>
<tr>
<td>• subcontracts must have the same terms and conditions as the contract in question</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Progress Payments</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• schedule (dates) for progress payments (i.e. 30 day intervals)</td>
<td></td>
</tr>
<tr>
<td>• progress payments will be made monthly in accordance with the terms of the contract and is based on value of completed work and the value of materials delivered, accepted and adequately protected on the site</td>
<td></td>
</tr>
<tr>
<td>• Progress Payment consists of the following forms:</td>
<td></td>
</tr>
<tr>
<td>• Request for Progress Payment and Cost breakdown <em>(PWGSC/TPSGC 1792)</em></td>
<td></td>
</tr>
<tr>
<td>• Statutory Declaration <em>(PWGSC/TPSGC 2835)</em></td>
<td></td>
</tr>
<tr>
<td>• Workplace Safety and Insurance Board certificates</td>
<td></td>
</tr>
<tr>
<td>• Transaction date is considered the date of receipt by the PM</td>
<td></td>
</tr>
</tbody>
</table>
**Pre-Construction Start-Up Meeting Checklist**

<table>
<thead>
<tr>
<th>Request is subject to review/acceptance by PWGSC, who will make revisions if necessary, certify value of work done/material delivered and accepted on site, and advise contractor of any differences between amount requested and the amount considered payable. (Such differences will not delay payment in a revised amount)</th>
</tr>
</thead>
<tbody>
<tr>
<td>indicate with a check mark (X) the type of the request (i.e. Progress, Interim, Final)</td>
</tr>
<tr>
<td>No progress payments will be authorized until:</td>
</tr>
<tr>
<td>a complete cost breakdown of the total contract amount is provided</td>
</tr>
<tr>
<td>all contract documents are signed and accepted by PWGSC</td>
</tr>
<tr>
<td>contract security (bonding or other), insurance and labour conditions have been met</td>
</tr>
<tr>
<td>all fire and safety prevention requirements have been met</td>
</tr>
<tr>
<td>all posting requirements have been met</td>
</tr>
<tr>
<td>detailed construction requirements schedule has been received by PWGSC</td>
</tr>
</tbody>
</table>

**Photographs**

- advise contractor to submit photographs of the site ‘before’ work commences (when specified) and establish schedule for future submissions
- establish agreement with contractor for site access when photographs are the responsibility of a third party

**Progress Review Inspections and Meetings**

- advise that regular progress review meetings are required and establish meeting schedule and protocol
- progress meetings will be called and chaired by the PM
- identify required meeting participants
- each member conducts progress review inspections BEFORE meetings.
- agenda items for meetings should follow the same format as the pre-construction start-up meeting
- PM must sign-off minutes and ensure distribution of copies to all concerned within a 48-60 hour period following each meeting

**Commissioning**

- obtain updated commissioning plan (if applicable) and advise contractor of expected compliance with department’s commissioning process, including:
  - commissioning schedule
  - inputs on product information forms
  - installation /start-up checklists
  - operation and maintenance manuals
  - component, equipment, systems, and subsystems performance verification testing
  - assist production of as-buils
  - assist final commissioning documentation
  - training plans
<table>
<thead>
<tr>
<th>Pre-Construction Start-Up Meeting Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Shop Drawings, Product Data, Samples and Mock-ups</strong></td>
</tr>
<tr>
<td>• reference the required shop drawings, discuss submissions and approvals process including the need for detailed documentation</td>
</tr>
<tr>
<td>• ‘turn around times’ will be enforced for all responsible parties</td>
</tr>
<tr>
<td>• the <strong>contractor</strong> (not subs or suppliers) is responsible to submit drawings, samples etc. Contractor to sign/submit drawings etc., on behalf of subcontractor to reflect the project coordination function</td>
</tr>
<tr>
<td>• drawings are to be submitted directly to the PM only and all other project team members must not accept any shop drawings but rather return them to the sender and advise the PM. PWGSC will retain sufficient copies and return balance of the reviewed shop drawings and product data to the contractor</td>
</tr>
<tr>
<td><strong>Contemplated Change Notices (CCN) and Change Orders (CO)</strong></td>
</tr>
<tr>
<td>• use a change order for all changes or deviations from original contract documents (monetary or non monetary)</td>
</tr>
<tr>
<td>• submit quotation for CCN in accordance with GC 6.4.1 and GC 6.4.2 and indicate what impact (if any) CCN/CO will have on the project schedule</td>
</tr>
<tr>
<td>• changes and/or claims for extra work done without written authorization from the PM will not be recognized</td>
</tr>
<tr>
<td>• written authorization to be obtained from the PM for any change to contract documents PRIOR to proceeding with any change or extra work</td>
</tr>
<tr>
<td>• responsibility to ensure all subcontractor’s quotations are entirely fair/reasonable in order to avoid unnecessary delays in the issuance and payment of CO’s</td>
</tr>
<tr>
<td>• all CO’s will be prepared and issued by the PM</td>
</tr>
<tr>
<td>• cost of changes cannot be included in the ‘Request for Progress Payment’ until authorized CO is issued by the PM</td>
</tr>
<tr>
<td>• CO’s regarding changes in risk should be provided to Surety and/or Insurance Company</td>
</tr>
<tr>
<td><strong>Labour Conditions</strong></td>
</tr>
<tr>
<td>• contractors and subcontractors must utilize Labour and Fair Wages in the execution of the work as per GC 3.8</td>
</tr>
<tr>
<td>• establish approvals process in cases where non-Canadian labour or material is utilized</td>
</tr>
<tr>
<td>• contractor’s obligations re: Fair wages/schedule policy</td>
</tr>
<tr>
<td><strong>Safety Regulations</strong></td>
</tr>
<tr>
<td>• review PWGSC Pre-planning Safety Checklist to elaborate on safety requirements of project</td>
</tr>
<tr>
<td>• discuss requirements for contractor’s compliance related to Specification Section 01 35 30</td>
</tr>
<tr>
<td>• obtain proof of WSIB/CSST compensation coverage at least every 60 days throughout the project</td>
</tr>
</tbody>
</table>
## Pre-Construction Start-Up Meeting Checklist

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Bonds</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>compliance with appropriate provincial legislation/regulations for construction health and safety and that PWGSC will monitor such compliance</td>
</tr>
<tr>
<td></td>
<td>the requirements for a safety plan, hazard assessment, fall protection and confined spaces, designated on-site safety person, roles/responsibilities, i.e. Workplace Hazardous Materials Information Systems (WHMIS) must be followed, original bilingual Material Safety Data Sheets (MSDS) must be in place and accessible, etc.</td>
</tr>
<tr>
<td></td>
<td>all site specific requirements related to health and safety must be addressed - (utilize established national and regional Construction Health and Safety Assurance protocol)</td>
</tr>
<tr>
<td></td>
<td>hard hats, safety glasses and certified safety boots are mandatory for workers and all administrative personnel/visitors while on the site during construction</td>
</tr>
<tr>
<td></td>
<td>‘no smoking’ policy will be enforced (if applicable)</td>
</tr>
<tr>
<td><strong>Delays</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>bonding company will be notified for any non-performance or non-payment issues</td>
</tr>
<tr>
<td></td>
<td>bonding is not required for projects less than $100K</td>
</tr>
<tr>
<td></td>
<td>time is of the essence in the contract</td>
</tr>
<tr>
<td></td>
<td>any request for extension of completion date must be submitted in advance of the contract completion date; must be well supported by adequate reasons why the delay is beyond the contractor’s control, and be accompanied by approval from the Surety as applicable as per GC 6.5</td>
</tr>
<tr>
<td></td>
<td>if delays are attributable to the contractor and an Interim Certificate cannot be issued by the specified completion date - the Contractor shall be liable for all assessments and damages as per GC 5.10</td>
</tr>
<tr>
<td></td>
<td>delays must be resolved immediately</td>
</tr>
<tr>
<td><strong>Certificate of Substantial Performance</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>a Certificate of Substantial Performance (Interim) <em>(PWGSC/TPSGC 1796)</em> may be issued at the discretion of PWGSC as per GC 1.1.4, when work is substantially completed, reviewed by the consultant and accepted by PWGSC</td>
</tr>
<tr>
<td></td>
<td>consultant completes the “Inspection” and the “Acceptance of Work” sections of form 1796 retaining an estimated cost for PWGSC to complete all uncompleted work/deficiencies</td>
</tr>
<tr>
<td></td>
<td>contractor to provide operational and maintenance manuals, statutory declaration, &amp; Workplace Safety and Insurance Board clearance certificate</td>
</tr>
<tr>
<td></td>
<td>Certificate of Substantial Performance is the point at which the client accepts the overall project and the contract security may be released by PWGSC</td>
</tr>
</tbody>
</table>
# Pre-Construction Start-Up Meeting Checklist

| Record Drawings |  
| --- | --- |
| - maintain project record drawings and accurately record deviations from contract drawings |  
| - monies will be withheld if such record drawings are not provided |  
| - maintain one set of plans and specifications on the project site, so they can be updated and marked up as changes occur |  
| - at completion of project and prior to final inspection transfer notations to second set of plans and submit (along with the originals) to the PM |  

| Warranties and Guarantees |  
| --- | --- |
| - advise subcontractors that duration of warranty shall be twelve (12) months from date of Certificate of Substantial Performance for work completed prior to that date and twelve (12) months from date of Certificate of Completion for the balance of work (as per GC 3.13) unless contract specifies otherwise |  
| - collect all warranties and guarantees and submit to the PM acknowledging the dates as agreed to by PWGSC |  

| Warranty Inspections |  
| --- | --- |
| - pre-establish warranty inspection dates to occur approx. 2 months prior to warranty expiration |  
| - identify all parties required on site for the warranty inspections |  

| Certificate of Completion (Final) |  
| --- | --- |
| - a Statutory Declaration and Workplace Safety and Insurance Board clearance certificate to be provided by contractor |  
| - a Certificate of Completion (Final) ([PWGSC/TPSGC 1797](#)) will be issued upon satisfactory completion of the work (as per GC 1.1.5) |  
| - consultant will complete the “Inspection” and the “Acceptance of Work” sections of form 1797 certifying that all work is complete and recommend issuance of the Certificate of Completion. |  
| - date of acceptance of work by the PM will be the effective date of the Certificate of Completion. |  
| - turn over record drawings, manuals, operating instructions, keys, etc. at this time |
| **Permits and By-laws** | • contractor and all subcontractors must comply with all federal, provincial/municipal laws and regulations and pay for all permits and certificates as stated in GC 1.8  
• permit requirements of the contract will be enforced |
| **Project Control** | • advise the contractor when project site is available for construction start-up (i.e. days per week and hours per day)  
• ensure that project requirements are met and that increases in number of personnel, materials, equipment, overtime work/additional shifts in order to meet the requirements, are contractor’s responsibility  
• submit and update the construction schedule to demonstrate the feasibility of, and the progress in, achieving the completion date in order to determine the impact on progress of unexpected occurrences, including change of scope  
• PM will monitor progress work against the schedule, including potential causes for delay such as unusual weather, material availability, additional scope etc., and take early action to have contractor correct the slippage, or to authorize a reasonable extension to the completion date |
| **Material Delivery** | • advise all suppliers of proper shipping addresses  
• provide the schedule of delivery dates for major components and ensure that these dates are co-ordinated with shop drawings schedule and overall construction progress schedule  
• all material shall be consigned to contractor and not PWGSC or client  
• discuss if materials can be stored on site, other storage areas etc., related necessary arrangements and any liability for damages related to the storage  
• caution required when transporting equipment and/or materials to and from the site as the contractor will be held liable for any loss or damages  
• loading dock availability and conditions under which it can be made available |
| **Inspection Services** | • PM must be advised at least forty-eight (48) hours prior to any inspection services required by contractor |
| **Mechanical, Electrical and Fire Protection Certificates** | • obtain letter of acknowledgement from the Fire Prevention Engineer of HRSDC, and the provincial mechanical and electrical authorities at project completion |
| **Risk Management Issues** | • identify items which may impact on costs and ability to achieve the schedule so PWGSC can resolve those which are within their control |
## Pre-Construction Start-Up Meeting Checklist

<table>
<thead>
<tr>
<th>Performance Evaluation Reports</th>
<th>PWGSC will complete a performance evaluation of the contractor following completion of project (<a href="#">PWGSC/TPSGC 2913</a>)</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-Site Postings</td>
<td>The following documents must be posted on the site and no payments will be made until this requirement is met</td>
</tr>
<tr>
<td></td>
<td>Fair Wages and Hours of Labour - Labour Conditions (<a href="#">Section R0203D</a>), Labour Conditions ‘D’ Clause 04 of contract</td>
</tr>
<tr>
<td></td>
<td>copies of bonds (<a href="#">Section R0205D</a>), Contract Security Conditions ‘F’. Requirement of the Labour and Material payment bond as per GC 9.1</td>
</tr>
<tr>
<td></td>
<td>building permits (<a href="#">Section R2810</a>) General Conditions GC 1.8 Laws, Permits and Taxes</td>
</tr>
<tr>
<td></td>
<td>all of the following fire/safety requirements as per Specifications Division 01 35 30 Section 1.14 ‘Posting of Documents’ (Provincial requirements may vary) as a minimum but not limited to:</td>
</tr>
<tr>
<td></td>
<td>Emergency procedures</td>
</tr>
<tr>
<td></td>
<td>General requirements</td>
</tr>
<tr>
<td></td>
<td>Health and Safety Representative</td>
</tr>
<tr>
<td></td>
<td>The Joint Health/Safety Committee</td>
</tr>
<tr>
<td></td>
<td>Material Safety Data Sheets</td>
</tr>
<tr>
<td></td>
<td>HRSDC Labour Program orders</td>
</tr>
<tr>
<td></td>
<td>Notice of Project</td>
</tr>
<tr>
<td></td>
<td>Opening of a construction site (form 1000 available through the Ontario Ministry of Labour / Quebec – CSST)</td>
</tr>
<tr>
<td></td>
<td>Occupational Health and Safety Act</td>
</tr>
<tr>
<td></td>
<td>Safety Policy</td>
</tr>
<tr>
<td></td>
<td>Workplace Safety and Insurance Board (form 82)</td>
</tr>
<tr>
<td></td>
<td>Worker’s Compensation Board (regulation 1101)</td>
</tr>
</tbody>
</table>

### Project Specific Issues

- The PM will keep project team advised of project specific issues e.g.
  - contractor issues and concerns
  - special site security issues
  - crown supplied materials
  - work to be done by others
  - work in occupied space
  - parking availability and conditions
  - work site clean up, recycling and disposal
  - procedures, notifications and conditions for mechanical or electrical shutdowns
  - security sign-in procedures for entry to the site
  - unsuitable workers may be replaced as per GC 1.11
  - other
| Contract Documentation | • ensure a copy of the complete contract is available at the meeting (in cases where the contract officer is not in attendance the PM should have a copy of standard General Conditions ‘C’) |
## Contract Payment Forms

(Provide the contractor with hard copies)

<table>
<thead>
<tr>
<th>Required for Progress Payments</th>
<th>PWGSC Form Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Request for Progress Payment (and Cost Breakdown)</td>
<td>PWGSC/TPSGC 1792</td>
</tr>
<tr>
<td>Statutory Declaration</td>
<td>PWGSC/TPSGC 2835</td>
</tr>
<tr>
<td>WSIB/WCB certificates</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Required for Substantial Performance Payments</th>
<th>PWGSC Form Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate of Substantial Performance (Interim)</td>
<td>PWGSC/TPSGC 1796</td>
</tr>
<tr>
<td>Request for Progress Payment (and Cost Breakdown)</td>
<td>PWGSC/TPSGC 1792</td>
</tr>
<tr>
<td>Statutory Declaration</td>
<td>PWGSC/TPSGC 2835</td>
</tr>
<tr>
<td>WSIB/WCB certificates</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Required for Final Completion Payments</th>
<th>PWGSC Form Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate of Completion (Final)</td>
<td>PWGSC/TPSGC 1797</td>
</tr>
<tr>
<td>Request for Progress Payment (and Cost Breakdown)</td>
<td>PWGSC/TPSGC 1792</td>
</tr>
<tr>
<td>Statutory Declaration</td>
<td>PWGSC/TPSGC 2835</td>
</tr>
<tr>
<td>Contractor Performance Evaluation Report</td>
<td>PWGSC/TPSGC 2913</td>
</tr>
<tr>
<td>WSIB/WCB certificates</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other Required Forms:</th>
<th>PWGSC Form Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contemplated Change Notice</td>
<td>PWGSC/TPSGC 611</td>
</tr>
<tr>
<td>Change Order Form</td>
<td>PWGSC/TPSGC 610</td>
</tr>
</tbody>
</table>
List of Activities for the Management of Change Orders

(All administrative work related to change orders is carried out promptly from the time a change is proposed until it is finalized and that delays do not occur.)

<table>
<thead>
<tr>
<th>ACTIVITIES:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Definition of requirements, project planning, design, preparation of plans and specifications, and sub soil investigations have been completed.</td>
</tr>
<tr>
<td>• Clients are pre-advised that changes will delay scheduled completion date and increase costs for both the changes themselves and resultant delay costs.</td>
</tr>
<tr>
<td>• Change order review/negotiation process and contract approval authorities and limitations to be followed by the project team, client, contractor and consultant are pre-established at the time of contract award.</td>
</tr>
<tr>
<td>• A project profile and risk assessment has been completed and a pre-approved amount for anticipated amendments (PAAA) has been established with RPC.</td>
</tr>
<tr>
<td>• Appropriate estimates of the cost of the change are always prepared prior to issuing contemplated change notices.</td>
</tr>
<tr>
<td>• Sufficient funds are available within the budget, commitments under section 32 of the FAA.</td>
</tr>
<tr>
<td>• Required level of contract amendment authority is readily available.</td>
</tr>
<tr>
<td>• Reasonable time limits have been established for both the submission of the quotation and the processing of the resultant change order.</td>
</tr>
<tr>
<td>• Expected impact of the change order on the specified completion date has been established at the time the cost of the change is negotiated and is included as part of the cost of the change and, when the interim and/or final change order is issued, that this is recorded as part of the project records.</td>
</tr>
<tr>
<td>• All administrative work related to change orders is carried out promptly from the time a change is proposed until it is finalized and that delays do not occur.</td>
</tr>
</tbody>
</table>
### Construction Contract Close-out Checklist (Substantial Performance)

<table>
<thead>
<tr>
<th>Description of Activities</th>
<th>Date Required</th>
<th>Date Received</th>
<th>Document Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Obtain from contractor and turn over to client: manuals, videos, CD's, certificates, record drawings, spare parts, keys, warranties and obtain sign-off. Keep record of each and their location with transmittal on file.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obtain all tender drawings from contractor; give copy to client (for info) &amp; consultant (for as-builds); turn over tender documents in electronic format to Geomatics Services and the client and paper format to Records Management (Plans Room) and obtain sign-off.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obtain all spare parts/suppliers names from contractor.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obtain all keys to building from contractor.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obtain list of all warranties, extended warranties from contractor with start and end dates of warranty periods.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obtain all Authorities having Jurisdiction certificates from the contractor.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ensure client operators acquire appropriate training from contractor under consultant's supervision.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceed with inspection of work, Certificate of Substantial Performance, and commissioning; provide contractor a detailed and cost assessed listing of deficiencies and incomplete work agreed to by all parties at time of inspection; obtain a reasonable schedule for completion of the remaining work from the contractor.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obtain signed Statutory Declaration from contractor.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ensure contract security and insurance policies can be released.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retain monies against assessments (i.e. disputes, late completion, unauthorized material substitution etc.)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obtain from the contractor a letter of good standing from CRA when required (as per General Conditions - Terms of Payment - Right of set-offs).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>For projects of construction values &gt; $1,000,000 (GST included), submit to the Manager Cost Planning and Estimating – Professional and Technical Service Management – Advisory and Practices (Project Delivery).</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTES:**
### Construction Contract Close-out Checklist (Completion)

<table>
<thead>
<tr>
<th>Description of Activities</th>
<th>Date Required</th>
<th>Date Received</th>
<th>Document Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conduct final inspections with key personnel to ensure there are no outstanding deficiencies.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ensure outstanding items from the Certificate of Substantial Performance checklist have been dealt with.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ensure commissioning work and reports are completed.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>After bldg. operators have received adequate training &amp; final inspections are completed, prepare the equipment for hand over; sign-off sheets with both client &amp; consultant.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ensure any periodic inspections required within warranty periods are conducted by consultant (i.e., thermography of bldg. envelope).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obtain from contractor: applicable cost breakdown table, signed Statutory Declaration, WCB certificate (Ont.) or CSST (Que.).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obtain from the consultant or in-house expertise: signature under 'Inspection' on the Certificate of Completion, all drawings updated with 'as-buils' as per contract; Turn over 'as-buils' in electronic format to Geomatics Services and the client and paper format to Records Management (Plans Room) and obtain sign-off; review consultant contract and ensure completion.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete Contractor Performance Evaluation Report with copy to contract authority and the project file.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete Certificate of Completion (Final).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obtain signature of client under 'Acceptance of Work' and sign the cost breakdown table located in the 'Request for Progress Payment' form.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Approve for final payment under Section 34 and forward to support clerk for processing. Copy of CPERF and sign-off from Records Mgt. is mandatory.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete Consultant Performance Evaluation Report with copy to contracting authority and the project file.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advise Business Mgt. that the project may now be closed in the financial system.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notify Archives of documents to be retained if such requirements exceed the Archives retention regulations.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assist project leader to complete post project evaluation.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assist project leader to complete post occupancy evaluation.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>For projects of construction values &gt; $1,000,000 (GST included), complete the “Project Cost Database Form” and submit to the Manager Cost Planning and Estimating – Professional and Technical Service Management – Advisory and Practices (Project Delivery).</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTES:**
Annex F – Forms, Samples and Checklists Required for the use of a Standing Offer
### Generic Call-up Checklist (For the use of Standing Offers)

<table>
<thead>
<tr>
<th>Approval to use Standing Offer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permission from the RPB Discipline Managers (DM) must be obtained to utilize the Standing Offer. For all Disciplines, RPC requires an E-mail from the DM stating that he/she has reviewed the Terms of Reference and that the services fit within the scope of the standing offers. This review is done prior to RPC providing the name of the Consultant to approach. The DM also reviews the fee proposal for an assessment of the proposed level of effort and other documentation, especially changes in scope prior to the PM sending the 9200, Risk Management Plan and file documentation to RPC for processing.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SPM Approval is required when</th>
</tr>
</thead>
<tbody>
<tr>
<td>Call-up is over $100,000. (including GST/HST &amp; PAAA). PM seeks this approval through E-mail to the relevant SPM.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sub-Consultant Substitution</th>
</tr>
</thead>
<tbody>
<tr>
<td>This should not happen when using the standing offers, as the prime consultant is required to use the designated subs where specified in the standing offer.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PAAA/Risk Management Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>PAAA must be broken down by risk category and amount.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Should be project specific and complement the Required Services described in the Standing Offers. Do not add services. <strong>Use the Generic TOR developed by the DM’s. Your TOR must be reviewed by the DM.</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Are Construction Documents required in both official languages</th>
</tr>
</thead>
<tbody>
<tr>
<td>If the construction estimate is over $100K and it will be tendered through RPC, the tender documents must be bilingual before going to MERX.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Check for Security Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>The 9200 contains a designated section for Security purposes. If security does not apply to your call-up, tick the &quot;No&quot; box and signature remains mandatory. If there is security, an SRCL form needs to be filled out and accompany the 9200, and signature is mandatory in this section of the 9200.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fee Proposal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Must be broken down using the hourly rates in accordance with Standing Offer and must show the level of effort for each category of personnel. If the proposal includes sub-consultants other than the ones stipulated in the Standing Offer, these sub-consultants are treated as disbursements and paid at cost upon submission of invoice.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fee Proposal is Fair and Reasonable, Technical proposal is Compliant</th>
</tr>
</thead>
<tbody>
<tr>
<td>RPC requires a statement from the PM that the proposal is fair and reasonable, that the proposal has been reviewed and is technically compliant with the TOR. Special attention is to be paid to assessing the level of effort put forward by the Consultants. Things to look out for - too senior personnel being used, too many hours for work proposed? Do not assess proposed fees on a % basis - assess the proposed hours.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Completion Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>What is the anticipated completion date of the call-up?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Disbursements</th>
</tr>
</thead>
<tbody>
<tr>
<td>If the consultant has indicated disbursements will be extra - RPC requires an amount and description of each proposed disbursement. Note in the majority of the standing offers, standard disbursements are already included in the hourly rates, refer to standing offer for details.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>9200 Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>Must be signed on all mandatory sections, invoicing instructions clearly indicated. Current funding is funding for this call-up only - not project funding (it should include GST but does not include the PAAA). Please provide PM's fax number. The security Section must be filled out (yes or no, and signature). Disregard the box referring to Privileged Administrative Arrangement. Please quote standing offer and reserve number and forward relevant correspondence to RPC in one package i.e. E-mail, facsimile, or hard copy.</td>
</tr>
</tbody>
</table>
### F.2. Checklist for Project Management Consultant Services

**Purpose of Checklist:** To facilitate engaging a Consultant for project management services via a call-up under a Standing Offer Agreement.

<table>
<thead>
<tr>
<th>PREPARING FOR A CALL-UP</th>
<th>MAKING THE CALL-UP</th>
<th>CLOSING OUT THE CALL-UP</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Regional Manager (RM) of Project Management (PM) unit or Discipline Manager (DM) in the NCA has approved the use of a Standing Offer Agreement (SOA)</td>
<td>- Requirements in the Statement of Work (SOW) i.e. Terms of Reference (TOR) discussed with the PM Consultant</td>
<td>- Any proposed changes to the scope of work are to be discussed with PM, but can only be authorized by an amendment issued by RPC (i.e. the SOA Authority)</td>
</tr>
<tr>
<td>- Call-up has been scoped out using the Statement of Work (SOW) Template for a Call-up i.e. Terms of Reference (TOR)</td>
<td>- Fee Proposal (FP) received from the PM Consultant</td>
<td>- For amendments to call-ups, RPC has received the Regional Manager or Discipline Manager (DM) in the NCA statements, via email, that he/she has reviewed the SOW/TOR to ensure a suitable level of effort for the work to be performed</td>
</tr>
<tr>
<td>- The call-up will not exceed $XXX (GST, fees and related disbursements included)</td>
<td>- FP, which includes HST, GST and disbursements, has been properly prepared and signed by the PM Consultant. Any fee proposal over $100K (including GST and Preapproved Amount for Anticipated Amendments -PAAA) requires approval by the applicable Senior Project Manager (SPM).</td>
<td></td>
</tr>
<tr>
<td>- Sufficient funding authority is available for the work</td>
<td>- Regional Manager of PM unit or Discipline Manager (DM) in the NCA has advised RPC that the fee proposal is fair and reasonable, and has reviewed the SOW/TOR</td>
<td>- PM Consultant’s performance has been evaluated using 3 of the 5 categories (the design and cost categories are not applicable) from Consultant Performance Evaluation Report Form - CPERF 2913-1</td>
</tr>
<tr>
<td>- Real Property Contracting (RPC, the SOA Authority) has authorized project manager to approach an PM Consultant (according to the rotation schedule)</td>
<td>- Requisitions for Goods and Services and Construction, Form 9200 completed with all mandatory signatures. Use Security Requirement Check List (SRCL) if applicable</td>
<td>- Quality of Results</td>
</tr>
<tr>
<td>- Project manager has approached authorized PM Consultant</td>
<td>- Risk Management Plan prepared and PAAA calculated by PWGSC PM</td>
<td>- Management</td>
</tr>
<tr>
<td>- Potential for conflict of interest considered (refer to Annex A p22)</td>
<td>- Statement of Work finalized and signed by PM unit and PM Consultant</td>
<td>- Time</td>
</tr>
<tr>
<td></td>
<td>- Project documentation submitted to RPC for action (9200, SOW/TOR, consultant’s proposal, Risk Management Plan/PAAA, statement that FP is fair and reasonable, SRCL (if applicable)</td>
<td>- Lessons Learned prepared by PWGSC PM and posted on EDRM</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- About the PM Consultant</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- About the SOA vehicle</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Call-up issued by RPC</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- PM Consultant has accepted the call-up</td>
</tr>
</tbody>
</table>
PREPARING FOR A CALL-UP

Regional Manager of Project Management unit or the Discipline Manager in the NCA has approved the use of a Standing Offer Agreement (SOA)

The Project Manager (PM) approaches Regional Manager (RM) of PM unit or Discipline Manager (DM) in the NCA for permission to use the standing offer agreements. RM / DM reviews the proposed project Statement of Work (SOW), i.e. Terms of Reference (TOR), to ensure that the services fit within the scope of the standing offers. RPC requires an E-mail, when the complete package is brought to RPC for processing, from the RM / DM stating that he/she has reviewed the SOW/TOR and that the services fit within the scope of the standing offers. This review is done prior to RPC providing the name of the Consultant to approach.

Call-up has been scoped out using Statement of Work Template

The SOW should be consistent with the Required Services described in the SOA.

The call-up will not exceed $XXX (GST, fees and related disbursements included, as per regional standing offer limits)

As specified in the Standing Offer Agreement, Annex A.

Sufficient funding authority is available for the work

The call-up limit includes the fee, disbursements, GST and PAAA.

RPC has authorized PM to approach a PM Consultant

If the SOW fits within the scope of the standing offers, the Regional Manager of PM unit or Discipline Manager in the NCA sends an E-mail to RPC providing tombstone information (e.g. project number, brief project description, name of PM, and fee estimate including disbursements and GST). Note the PAAA estimate can be included at this stage but it is not used for the purposes of assigning a PM Consultant.

Within 24 hours (48 hours worst case), RPC provides the Project Manager with the name of the PM Consultant to approach and gives authority to approach them.

Potential for conflict of interest considered

RM/PM/DM should consider the possibility of a conflict of interest arising from this requirement. The PM Consultant must declare in writing any real, potential or perceived conflict of interest to the PWGSC PM prior to accepting a call-up for the provision of services.

The PM Consultant role excludes competition for services as a consultant or sub-consultant for a project that is the result of the provision of project management support services by the Consultant. This restriction shall also apply if the Consultant is involved in the development of a Project brief(s), a Request for Proposal or similar documents for such a project. The PM Consultant cannot provide professional design services as a consultant or sub-consultant for a project that is the result of the project management support services provided by this PM Consultant on this project.

A PM Consultant with whom PWGSC has a Standing Offer Agreement is free to decline an individual call-up if the Consultant is interested in bidding future Request for Proposals on the said project. If a PM Consultant declines a call-up, PWGSC retains the right to deem the PM Consultant to have “had his turn” and to proceed to the next PM Consultant for subsequent call-ups. This avoids having consultants cherry pick assignments. The PM Consultant accepts that he/she will not be able to bid on future work associated with this project. (clarify type of work)

Ensure that the PM Consultant will not be privy to information on their competitors (note that many PM Consultants are part of engineering firms). The PM Consultant is subject to PWGSC’s Ethics with respect to conflicts of interest.
MAKING THE CALL-UP

Requirements in the Statement of Work discussed with the PM consultant

PM discusses the Statement of Work with the PM Consultant to ensure mutual understanding of the scope of work and expectations.

Fee Proposal has been properly prepared and signed by consultant

Any fee proposal, which includes HST, GST and disbursements, must be broken down using the per diem rates in accordance with Standing Offer Agreement and must show the level of effort for each category of personnel: Principal Personnel, Senior Project Manager, or Project Manager are the only three acceptable categories. If the proposal includes sub-consultants other than the ones stipulated in the Standing Offer, these sub-consultants are treated as disbursements and paid at cost upon submission of receipts. PM should ensure that the fee proposal requested is in the format specified in the Standing Offer - i.e. category of personnel, name of personnel and the number of hours estimated/required to perform the services, as well as an estimate of proposed disbursements, if applicable.

Regional Manager of PM unit has advised RPC that the fee proposal is fair and reasonable

The RM or Discipline Manager in the NCA reviews the fee proposal for an assessment of the proposed level of effort and to ensure technical compliance with the required scope and other documentation, especially changes in scope prior to the PM sending form 9200.

Requisition for Goods and Services and Construction, Form 9200 completed with all mandatory signatures

Form 9200 contains a designated section for security purposes. If security does not apply to your call-up, tick the “No” box and signature remains mandatory. If there is a security requirement, a Security Requirement Check List (SRCL) form needs to be filled out and accompany the 9200, and signature is mandatory in this section of the form as well.

Risk Management Plan prepared and Preapproved Amount for Anticipated Amendments (PAAA) calculated by PWGSC PM

PAAA must be broken down by risk category and amount.

Project documentation submitted to RPC for action

Project Documentation, including form 9200, Risk Management Plan and PAAA calculation, final SOW/TOR, PM Consultant’s Fee Proposal, Regional Manager of PM unit’s or Discipline Manager in the NCA provides statement that he/she agrees the Financial Proposal is fair and reasonable, and statement that he has reviewed the TOR to ensure that the proposal reflects a suitable level of effort for the work to be performed and to ensure technical compliance with the required scope, Security Requirement Check List (SRCL) if applicable, are sent to RPC for action (preferably as one package). RPC will not process the call-up if any required documentation is missing.

PM Consultant has accepted and signed the call-up

If the SOA Consultant declines the work, it must be in writing (E-mail is sufficient) and the Regional Manager / Discipline Manager in the NCA advises RPC of the refusal. RPC will provide another consultant name to the PM. Normally, consultants should be provided a reasonable period of time (48 hours) to indicate their availability to perform the work.
F.3. Statement of Work - Template for a Call-up for Project Management Services

This tool is intended to assist the PWGSC Project Manager and a Standing Offer Consultant to plan work via a call-up under a Standing Offer Agreement (SOA) for project management services. It is intended to support a conversation between the two parties that will ensure mutual understanding of the scope of work and expectations.

<table>
<thead>
<tr>
<th>TABLE OF CONTENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Identification</td>
</tr>
<tr>
<td>1. Role of the PWGSC Project Manager</td>
</tr>
<tr>
<td>2. Role of the SOA Consultant</td>
</tr>
<tr>
<td>3. Type of PM Services Required</td>
</tr>
<tr>
<td>4. PM Full Services</td>
</tr>
<tr>
<td>5. PM Support Services</td>
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<tr>
<td>6. PM Additional Services</td>
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<table>
<thead>
<tr>
<th>PROJECT IDENTIFICATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standing Offer Agreement (insert number):</td>
</tr>
<tr>
<td>Call up (insert number):</td>
</tr>
<tr>
<td>Project title:</td>
</tr>
<tr>
<td>Project #:</td>
</tr>
<tr>
<td>Central Records File #:</td>
</tr>
<tr>
<td>Location:</td>
</tr>
<tr>
<td>Client:</td>
</tr>
<tr>
<td>Client Department:</td>
</tr>
<tr>
<td>PWGSC Project Manager:</td>
</tr>
<tr>
<td>PWGSC Senior Project Manager:</td>
</tr>
<tr>
<td>Project Description (brief description, i.e. new construction, renovation, fit-up, public-private partnership, etc.)</td>
</tr>
<tr>
<td>Total Project Budget (not call-up estimate)</td>
</tr>
<tr>
<td>Planned Project Start Date</td>
</tr>
<tr>
<td>Planned Project Completion Date</td>
</tr>
<tr>
<td>SCOPING THE CALL UP</td>
</tr>
<tr>
<td>---------------------</td>
</tr>
</tbody>
</table>
| **1. Role of the PWGSC Project Manager**  
**“Exclusions from Call-up”**  
The PWGSC Project Mgr: | **Corporate Accountability**  
The PWGSC Project Manager cannot delegate corporate accountability. This requirement must be respected and supported by the SOA Consultant:  
- Government core values: ethics/values, transparency (government regulations) and prudence (risk management)  
- Government agenda: social, political and environmental  
- Real Property Branch agenda (on time, on budget, on scope, best value, sustainability, urban agenda, connectivity, new officing strategy, etc.) |
| - Retains “corporate” accountability for the project  
- Retains authorities under the Financial Administration Act  
- Manages the call-up  
- Provides direction to the SOA Consultant  
- Monitors the quality and performance of services  
- Ensures access to PWGSC facilities and people as required  
- Is the main interface with the client  
- Maintains stakeholder relationships and reconciles conflicts  
- Reviews and accepts work | **Financial Accountability**  
The PWGSC Project Manager retains accountability for finances under the Financial Administration Act and has signing authority for financial commitments.  
The SOA Consultant must obtain approvals and signatures for the situations listed below, as well as for any other situations as required by the PWGSC Project Manager:  
- Changes to the scope of work, whether or not there
### SCOPING THE CALL UP

<table>
<thead>
<tr>
<th>2. Role of the SOA Consultant</th>
<th>EXPLANATORY NOTES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>“Fundamental Requirements”</strong></td>
<td>- Changes to the funding</td>
</tr>
<tr>
<td>The SOA Consultant:</td>
<td>- Expenditures</td>
</tr>
<tr>
<td>- Understands and accepts the scope of call-up</td>
<td>- Change Orders</td>
</tr>
<tr>
<td>- Bears financial accountability for the out-tasked work, depending on the requirements and scope of this call-up</td>
<td>- Increases or decreases to funding</td>
</tr>
<tr>
<td>- Carries out work as directed by the PWGSC Project Manager</td>
<td>- Contract Amendments</td>
</tr>
<tr>
<td>- Provides deliverables</td>
<td>- SALIs</td>
</tr>
<tr>
<td>- Obtains required approvals and signatures from authorities (see explanatory notes to the right)</td>
<td></td>
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<tr>
<td>- Ensures milestones are met</td>
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<td>- Cannot change assigned individuals without prior approval</td>
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<tr>
<td>- Must not be in a conflict of interest</td>
<td></td>
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</tbody>
</table>

**Initials:**

PWGSC PM________ SOA Consultant________

### 3. Type of Project Management Services Required

- [ ] PM Full Services
- [ ] PM Support Services
- [ ] Additional Services

### 4. PM Full Services

The SOA Consultant provides the lead project management role for:

- [ ] Not applicable
- [ ] Program of works
- [ ] Complete project
- [ ] Specific asset
- [ ] Work Unit (Center of Expertise, RPT etc.)

**Type of PM Services**

The Standing Offer Agreements, Annex A states that these are three types of services for which an SOA consultant can be engaged.

**PM Full Services**

PM Full Services are intended to provide continuous and complete services for a particular project, program, asset or work group. In this case, the PWGSC Project Manager is not actively involved in the day-to-day management of the project.
### SCOPING THE CALL UP

<table>
<thead>
<tr>
<th>5. PM Support Services</th>
<th>EXPLANATORY NOTES</th>
</tr>
</thead>
</table>
| **The SOA Consultant provides support for specific phases or tasks while the PWGSC PM is actively managing the project.** | **PM Support Services**  
Write the desired support service(s) into the space provided and/or check all that apply using Appendix C. |

<p>| | |</p>
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<tbody>
<tr>
<td>□ Not applicable</td>
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### 6. PM Additional Services

The SOA Consultant provides specialist expertise, either in-house or through a sub-consultant. Please write the name of the person providing the service. See Appendix for examples of additional services:

<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>□ Not applicable</td>
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#### Additional Service

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#### Name

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### 7. Key Deliverables Required of the SOA Consultant

The SOA Consultant will be responsible for the following key deliverables as defined in PWGSC’s National Project Management System (NPMS) (check all that apply):

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>□ This section is not applicable</td>
<td></td>
</tr>
</tbody>
</table>
| □ Statement of Requirements  
Milestone Date | |
| □ Development of Project Schedule  
Milestone Date | |
| □ Project Plan  
Milestone Date | |
| □ Feasibility Report  
Milestone Date | |

#### Key Deliverables

Key deliverables are outlined in the National Project Management System (NPMS).
### SCOPING THE CALL UP

- **Investment Analysis Report**
  - Milestone Date ____________________________
- **Records Project Plan**
  - Milestone Date ____________________________
- **Approval document**
  - Milestone Date ____________________________
- **Product turn-over**
  - Milestone Date ____________________________
- **Other**
  - Milestone Date ____________________________

**Initials:**
- PWGSC PM__________SOA Consultant________

### EXPLANATORY NOTES

#### 8. Quality Management

a.) PWGSC’s Technical Advisory Service (TAS) provided by Advisory and Practices (Professional Services) is responsible for Technical Review(s) for this project. If no, please indicate why.

- **Yes**
- **No/Not applicable**

Why not?

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

b.) Quality management requirements:

- The SOA Consultant will interface with PWGSC’s Quality Management System (QMS) as directed

**Initials:**
- PWGSC PM__________SOA Consultant________

#### 9. Anticipated Level of Effort Required of the SOA Consultant

- **Not applicable**

Provide an order of magnitude estimate of the extent of resourcing required of the SOA company:

**Level of Effort**

An order of magnitude estimate of PWGSC’s expectation of effort is useful to the SOA Consultant for preparing the Fee Proposal.
### SCOPING THE CALL UP

<table>
<thead>
<tr>
<th></th>
<th>Number of Wks/Mos/Yrs</th>
<th>Number of Individuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal Personnel:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior Project Manager:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Manager:</td>
<td></td>
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</tr>
</tbody>
</table>

### EXPLANATORY NOTES

See Price Offers from the Standing Offer Companies for per diem rates.

All work must fit into one of these three categories.

### 10. Reporting Required of the SOA Consultant

- Reporting frequency:
  - [ ] Weekly
  - [ ] Monthly
  - [ ] Other

- Reporting format:
  
  ____________________________
  ____________________________
  ____________________________

### 11. Communication Protocols

The SOA consultant agrees to the following communication protocols as directed by the PWGSC Project Manager:

- With Client (i.e. Other Government Department):
  
  ____________________________

**Communication Protocols**

With Other Stakeholders (e.g. general public):

______________________________

With Other PWGSC Units:

Architectural: ______________________
Mechanical: ________________________
Civil: ____________________________
Electrical: _________________________
Other: ___________________________

**Initials:**

PWGSC PM___________ SOA Consultant________
<table>
<thead>
<tr>
<th>SCOPING THE CALL UP</th>
<th>EXPLANATORY NOTES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>12. Extent of Documentation Required of the SOA Consultant</strong></td>
<td><strong>Project Records</strong> PWGSC must have the ability to access project files at all times to meet the needs of Access to Information and for Best Practice. For Support/Additional Services, require electronic copies organized by projects filing protocol of all project email, correspondence, reports, etc. For Full Services, require full documentation including filing to PWGSC standards. The Standing Offer Agreement specifies the provision of an electronic and paper copy of all deliverables. Use PWGSC standard formats/software for all deliverables.</td>
</tr>
<tr>
<td>□ The SOA Consultant is required to submit all project documents as the work proceeds</td>
<td></td>
</tr>
<tr>
<td><strong>13. Language of Service</strong></td>
<td><strong>New Language Requirements</strong> Note: New language requirements are being introduced by PWGSC.</td>
</tr>
<tr>
<td>The SOA Consultant must be capable of providing the full range of required services in (check all that apply):</td>
<td></td>
</tr>
<tr>
<td>□ English (minimum requirement of the SOA)</td>
<td></td>
</tr>
<tr>
<td>□ French</td>
<td></td>
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<tr>
<td>Special requirements:</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>14. Use of PWGSC Facilities and Equipment</strong></td>
<td><strong>Particular Requirements</strong> Specify if there are any particular requirements, such as need to wear safety gear to visit construction sites.</td>
</tr>
<tr>
<td>For this project, the SOA Consultant will need access to the following:</td>
<td><strong>Avoiding Employer-Employee Relationships</strong> Revenue Canada looks at four factors for determining what constitutes an employer-employee relationship:</td>
</tr>
<tr>
<td>□ PWGSC project office</td>
<td>1. Chance of profit/risk of loss</td>
</tr>
<tr>
<td>□ PWGSC hoteling station</td>
<td>2. Provision/ownership of tools</td>
</tr>
<tr>
<td>□ Client offices</td>
<td>3. Control of the process</td>
</tr>
<tr>
<td>□ Project site</td>
<td>4. Integration</td>
</tr>
<tr>
<td>□ Other _______________</td>
<td>For more information, contact RPC</td>
</tr>
<tr>
<td>□ The setting up of employer-employee relationships is prohibited</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Evaluations</strong> A Consultant Performance Evaluation Report Form (CPERF) will be provided to the SOA Consultant at the outset.</td>
</tr>
<tr>
<td><strong>15. Performance Evaluations</strong></td>
<td></td>
</tr>
<tr>
<td>□ The SOA Consultant agrees to:</td>
<td></td>
</tr>
<tr>
<td>▪ participate in a Consultant performance evaluation review (CPERF) of his/her own work</td>
<td></td>
</tr>
<tr>
<td>▪ assist the PWGSC PM in evaluating the success of the project delivery</td>
<td></td>
</tr>
<tr>
<td>SCOPING THE CALL UP</td>
<td>EXPLANATORY NOTES</td>
</tr>
<tr>
<td>---------------------</td>
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</tr>
<tr>
<td>▪ discuss lessons learned</td>
<td></td>
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<td></td>
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<tr>
<td><strong>SIGNATURES:</strong></td>
<td></td>
</tr>
<tr>
<td>Regional Manager, PM unit</td>
<td>Print Name</td>
</tr>
<tr>
<td>Project Manager</td>
<td>Print Name</td>
</tr>
<tr>
<td>SOA Consultant</td>
<td>Print Name</td>
</tr>
</tbody>
</table>
APPENDIX A - REFERENCE MATERIAL

The following documentation will be made available to the SOA Consultant as background information to assist the Consultant in carrying out his/her work:

List documents related to the Project:

☐ Project Charter
☐ Project Plan
☐ Work Plan
☐ Consultant Performance Evaluation Report Form
☐ Etc.
APPENDIX B – SPECIFICATION OF THE SOA CONSULTANT’S SERVICES

1.0 REQUIRED OPERATING PRACTICES

Unless otherwise agreed, the SOA Consultant is required to implement the following operating practices:

 Coordinate and review deliverables prior to submission
 Communicate to the PWGSC PM regularly as negotiated and report all variances
 Interface with PWGSC’s Quality management System (QMS) as directed by the PM
 Ensure communications are dated, bear project number and name, and file number and name
 Confirm, communicate and record all decisions and directions regarding activities
 Monitor progress against overall objectives
 Monitor progress against project scope, cost, schedule
 Ensure overall coordination with the client’s and user’s requirements
 Ensure communication between all relevant project participants to deal with special issues
 Ensure coordination of all PM team members’ activities

2.0 REQUIRED SERVICES

Make a check mark for all services that are required (or simply write in the spaces provided in Sections 5 and/or 6):

2.1 Services By Knowledge Area

Integration

Ensuring that the various elements of the project are properly coordinated and balanced with respect to competing objectives. The SOA Consultant shall refer to the National Project Management System:

☐ Establish project administration procedures
☐ Research of project management knowledge areas and industry practices
☐ Review project requirements with PWGSC Centre of Expertise, other jurisdictional authorities & stakeholders
☐ Coordinate consultants retained separately to ensure a complete/integrated design:
☐ at a minimum geotechnical, seismic and environmental (including hazardous materials);
☐ Often: functional program, fit-up/office planning, acoustic integration

Scope

Developing, verifying and accepting the project scope, and scope change control:

☐ Monitor progress, prepare docs, check, recommend for approval contract scope changes docs (specify)
☐ Develop, monitor & report on Scope Management System
☐ Pre-project/front-end planning: Management of a client functional program: Planning move sequence strategies: Preparation of initial work plan for project delivery
☐ Provide advice on most cost effective strategies, risks, negative cost impacts, related procurement issues, construction and biddability issues, and impact on project forecast, risk and contingencies
☐ Assist with security clearance process

Time

Identifying project activities and creating the project schedule, establishing a time control system, monitoring progress, and responding to variances:

☐ Plan, schedule and execute the timely delivery of a project and its sub-projects in according to approved budgets and timelines
☐ Monitor and control status of deliverables

Cost
Identifying the resources, levels of effort, and related costs required for the project, developing a cost baseline, preparing or reviewing cost plans, cost analysis, and cash flows, and cost estimates at various stages of the project:

- Develop and provide Cost Plan (working closely with Cost Consultant)
- Develop a “Black Book” providing detailed worksheet of subprojects’ annual funding, forecasts, value of work done, etc. over life of project (working closely with Cost Consultant). BB should be accessible to PWGSC and feed monthly reports.
- Assist with cost estimating by reviewing estimates and assessing for variances and risk management
- Assist with cost control including applying problem solving techniques: life cycle analysis, value engineering; risk analysis and early estimation (elemental cost analysis)
- Monitor forecasts and actuals against budgets, analyze and report on cost to complete and action to be taken to remain on budget including state of risk allowance. Reserves and contingencies.
- Maintain environmental scan of construction markets
- Review project costs and resolve variances with predetermined budgets by recommending action and resolving conflicts
- Value engineering and life cycle costing services: As design development tool (not as a cost reduction exercise)
- Life Cycle Costing for the initial purchase, operation, maintenance, repair, replacement and disposal costs

Quality

Identifying quality standards and approaches to meet them, evaluating project performance on a regular basis, and monitoring project results:

- Develop and implement a quality assurance program
- Develop and implement a customized quality design review checklist
- Develop document management system and control process for Project Teams
- Obtain required project approvals or ensure that required approvals are obtained from authorities
- Acquire, review, record, verify and maintain project data (specify: Document and data: refer to all manner of record including paper or electronic; report, file, drawing, Gantt chart, cost plan, photograph, BIM model or any other format used to communicate information during a AEC project)
- Manage documents and records system
- Manage project documents: document security in accordance with PWGSC Records Mgmt sector requirements
- Analyzing and reporting on project data and trends

Human Resources

Identifying and assigning project roles, responsibilities and reporting relationships, ensuring adequate human resources, and developing a productive team environment:

- Manage project roles and responsibilities
- Manage architectural/engineering and associated specialist teams
- Establish and manage a team of Project Management specialists to review/comment on design submissions
- Partnering/teambuilding workshops
- Strategic planning/learning workshops
- Conflict management workshops/stakeholder interviews

Communications

Identifying communication needs, and providing information in a timely manner:

- Respond to internal and external inquiries
- Chair, attend project meetings; prepare/distribute minutes/records of decision
- Manage Request for Info (RFI) procedures
- On-going management of stakeholders
- Use and manage online Project Collaboration Tool established to manage documents and information flow for project
- Prepare monthly project status reports outlining progress against milestones, budget and scope; highlight actions to be taken in the next month

Risk
Integrating risk management into all phases of the project. The SOA Consultant shall refer to the Real Property Branch best practice on Risk Management:

- Develop, maintain and actively manage a Risk Management Plan
- Monitor and report on risk plans
- Arrange team Risk Management sessions on a [quarterly] basis throughout the project
- Arrange for a third party facilitator for these sessions as required by PWGSC
- Use the format and methodology developed by PWGSC (identification of risk, likelihood of occurrence, potential impact; potential for avoidance, mitigation, management)
- Include Risk Management activities as an integral part of the Project Planning activities

**Procurement**

Identifying procurement requirements and sources, preparing solicitation documentation, overseeing contract administration:

- Review submissions by consultants and contractors
- Furniture procurement, installation, verification
- Cabling procurement, installation, verification
- Signage procurement, installation, verification
- Move planning and management
- Review monthly progress claims from design/other consultants for compliance with consultant agreements and recommend payments
- Assist in recommendations to retain consultants, preparation of consultant RFPs and review of consultant proposals (see The Contract Mgmt Guide)

**Safety**

Managing safety as an integrated part of the construction project following PWGSC accountability frameworks and documentation to ensure consistency of practice and due diligence. The SOA Consultant shall refer to the best practice - Construction Health and Safety Assurance.

**Environmental**

Identifying, obtaining and managing all environmental approvals, permits or licenses for the project:

- Dynamic energy modeling applications, including NRCan’s CBIP (Commercial Building; Incentive Program. qualifying procedures)

**Financial**

Managing day-to-day financial resources of the project:

- Monitor, check, recommend and prepare all documentation related to the expenditure of funds on a project including claims.
- Assist in preparation of SSA (Specific Service Agreement), MOU (Memorandum of Understanding) and TBS (Treasury Board Secretariat)

**Claims**

Establishing and managing project claims in consultation with the PWGSC Claim Centre, investigating claims, assessing funding implications, and preparing claim findings and recommendations:

- Provide Claim Prevention Strategies
- Claims/disputes management (design & contractor)

**2.2 Services by Project Phase**

**2.2.1 Project Planning Phase**

- Manage the preparation and updating of the functional program by the architectural and engineering team and assigned client, user and building operators representatives
Review and confirm all components of the Project Plan with the project stakeholders
Review of the preliminary implementation strategies proposed in the Project Plan with the project stakeholders
Develop an updated Implementation Plan, noting constraints, assumptions, inclusions and exclusions; after review with PWGSC Project Manager, submit for approvals by stakeholders
Assist or prepare Work Breakdown Structure
Manage the change order process
Assist or prepare a Master Schedule in conjunction with the Scheduling Consultant; includes identification of seasonal and site/client specific impacts on timelines; timelines for work processes and approval periods; key milestones, deadlines and critical links
Advise on impacts of delayed decisions or approvals
Assist or prepare a Master Cost Plan in conjunction with the Cost Consultant. Include all project cost elements. [PWGSC PMs are to note that this may place the PM Consultant in a conflict of interest with respect to some AE consultants with whom they are in competition, particularly for engineering work – this is not acceptable; so either hire all PM services including cost/schedule from one firm but not from one that does AE work OR PWGSC staff may have to remain in control of the overall budgeting exercise]
Prepare or update a preliminary Procurement Plan in consultation with the PWGSC Project Manager and RPC.
Provide logistical advice, analysis and support to the AE team in the development of the Occupant Move Plan, including options and their analysis.
Develop and maintain various data systems for the management and control of the project:
- Financial management and reporting system compatible with PWGSC systems and reports;
- Approvals tracking and implementation system; it should ensure that necessary project reviews, sign-offs, authorities, permits and licenses are in places including those related to PWGSC change management system.
- Issues/Decisions Logbook: management system to track issues and their resolution; also to record approvals and other major events (hand-over, substantial completion date, etc);
- Change management system as part of Approval System and integrated in Financial mgmt system;
- Reporting System to suit PWGSC monthly, quarterly or period reporting requirements as specified;
- Communication Plan as per PWGSC standard;
- Security protocol for project staff and documentation;
- Records management system to PWGSC meet policy requirements (ATIP, Privacy)
- Project Collaboration Tool to PWGSC/RPB standards (review – this seems necessary if you are going to have adequate docs and the rest)

Develop and maintain a Risk Management Plan
Organize, manage and participate in Risk Management Sessions
Provide technical writing support for project reports and submissions
Prepare and submit to the PWGSC Project Manager, in a pre-approved format, a monthly Project Report.
Prepare and submit to the PWGSC Project Manager a revised Project Plan at the end of each NPMS Phase.

2.2.2 Project Design Phase

Design Management
- Liaise with the Consultant and Client/Users ensuring that the functional program requirements are being met
- Maintain the Design Change Management process that records changes to the scope of work;
  - relate impacts on budgets and schedule as well as any other impacts;
  - include additional design costs, operating costs, space requirements, etc.;
  - seek to minimize impacts;
  - review with key stakeholders;
  - obtain sign offs.
- Review and update implementation plan, work breakdown structure (WBS);
- Coordinate Value Engineering processes and other strategies aimed at integrated design solutions; manage the review and implementation of outcomes from these processes
- Ensure that the project and its design have been submitted for the appropriate reviews (legislative, technical, contractual, project, financial, stakeholders)

Cost Management
- Update the Master (baseline) Cost Plan:
  - Ensure a common understanding of use/meaning of all contingencies, risk allowances, mgmt reserves, other allowances;
Compare and reconcile the previous project budget and the current budget based on the design noting variances and if necessary recommendations for remedial action;
- With input from the Cost Consultant, prepare a Cash Flow projection for the project;

☐ Review and monitor overall project budget on a regular basis using information provided from the project team; mitigate as required.
☐ Update the Project Plan

**Risk Management**

☐ Organize, manage and participate in Risk Management Sessions

☐ Update the Risk Management Plan using the standard PWGSC form/procedure; ensure that Risk Plan reflects specific risks associated with the project’s complexity, public visibility or technical difficulty; situational risks such as market conditions or timing uncertainties due to elections should also be addressed

☐ Advise on impacts of delayed decisions or approvals

☐ Using input from Risk Assessment, input risk amounts into Cost Plan

☐ Issues/Decisions Logbook: management system to track issues and their resolution; also to record approvals and other major events; in this instance, allows for the tracking of major issues which arise and how they are resolved

**Scheduling**

☐ Update the Master (baseline) Schedule Plan:
  - Assess the project design and budgets [with the Schedule Consultant]
  - Identify the critical path, key milestones, key lead times and resource loading constraints;
  - Compare and reconcile the previous project schedule and the current schedule based on the design noting variances and if necessary recommendations for remedial action;
  - With input from the Scheduling Consultant, prepare an optimized project schedule identifying measures to shorten total project duration; review cost implications

☐ Review and monitor overall project schedule on a regular basis using information provided from the project team; mitigate as required.

**Procurement**

☐ Update the Procurement Plan as per PWGSC guidelines
  - In cooperation with RPC, [develop or implement] a methodology for pre-qualification of key suppliers, pre-approved components, design-build packages, etc
  - Coordinate with Client/Users and their procurement representatives for IT/IS, furniture or equipment requirements.

☐ Assist the PWGSC Project Manager in selecting and retaining other professional consultants, including drafting terms of reference, evaluating submissions, making recommendations

**Scope Management**

☐ Change management process

**Quality Management**

☐ Establish and document in the Project Plan, a quality assurance (QA) program for the project deliverables (the design, construction, move-in)

☐ With the Project Team, define expectations for quality of deliverables at each phase and what measures are to be used (quantitative and qualitative)

☐ Monitor quality through objective design reviews, biddability reviews, building inspections, user surveys, etc

☐ Maintain a Corrective Measures Log to document remedial action to be taken in the even of non-conformance events

**Reporting**

☐ Update the Project Plan to reflect the project status at the end of the Design Phase once Effective Project Approval had been received
2.2.3 Project Implementation Phase

- Provide technical writing support for written reports and presentations decks
- Develop Document Management System and Control Process for Project Teams
- Develop and Manage Project Collaboration Tools
- Manage Documents and records system
- Provide Minutes of meetings
- Assist with security clearance process
- Provide Administrative Services
- Provide Financial Administrative Support to suit PWGSC requirements
- Provide support to tendering and contracting processes as requested by PWGSC
- Start-up construction (prep & meetings)
- Manage Construction logistics: forecast, coordinate work, avoid disruptions to occupants
- Manage Construction contracts
- Review value of work done
- Manage Change Management process within authorities
- Prepare/submit timely, accurate RFP, CCN, CO for approval, track, communicate
- Manage payment process within authorities, review in timely fashion
- Manage Partnering processes: sessions and follow-up reviews
- Manage post-construction services
- Undertake Post-construction evaluations
- Provide Claims mgmt and support
- Establish/review construction implementation strategies (lump sum, phased, CM, D-B)
- Determine requirements for pre-tendering or post-tendering of separate packages of work.
- Conduct biddability reviews of tender document submissions.
- Where tenders are not managed by RPC, monitor the tender periods to that there is a competitive bid process and that all bidders inquiries are tracked, reviewed and answered.
- Conduct job site briefings for potential bidders.
- Assist with the technical and administrative review of bid proposals and tenders received and provide recommendations for contract award. – check – not according to The Guide
- Brief consultants and contractors on roles, responsibilities and PWGSC and Client guidelines for contract administration and on site behaviour.
- Attend construction site meetings, providing input on interpretation of contract plans and specifications while ensuring that both consultants and contractors fulfill their responsibilities under their respective agreements.
- Inspect work in- progress and ensure compliance with the contract documents.
- Review the contractor’s detailed breakdowns of tendered amounts to ensure all items of work included are properly identified for progress billing purposes. Evaluate consultant or contractor progress for value of work done on site and recommend payments
- Analyze project schedules including contractor and consultant deliverables and determine whether corrective action is required to meet deadlines/milestones
- In cooperation with consultants, estimate cost of scope changes and negotiate a fair and reasonable price with contractors; prepare change orders; recommend revisions to contract. At substantial completion, participate in inspections and/or acceptance boards: inspect the work, evaluate amounts withheld due to deficiencies, accept the work on behalf of PWGSC/Client, recommend issuance of the interim certificate and payment to the contractor
- Ensure that deficiencies and incomplete work are identified, managed, corrected and accepted as complete promptly; recommend issuance of final completion certificate

**Project Monitoring**

- Monitor and ensure that the project objectives are being met throughout the execution (final design work and construction) of the project
- Identify risks to the project’s schedule and budget and work with the Project Team to mitigate these risks

**Reporting & Communications**

- Participate in Project Team meetings and issue meetings minutes in a timely fashion
Establish a protocol for all project communications and record keeping; coordinate project communications. Provide coordination for pro-active construction events logistics to manage and mitigate construction disruptions. Advance communications and coordination with PWGSC, Users, Clients, stakeholders of events. Planning of construction events to resolve conflicts. Draft briefing notes and communiqués on project activities when required. Support and documentation in response to various requests for information from other parties.

Quality Management
- Manage the QA process, ensuring the QA program measures are used to track compliance with expected results. Take remedial action if QA program highlights issues.
- Ensure that review processes proceed in a timely fashion: work is submitted or available for review/inspection; reviewers/inspectors have [secure] access to the documents/site, conduct reviews and provide feedback in a timely fashion, such that rework is avoided [if this is an issue consider BIM modelling].
- Ensure that remediation measures are tracked and implemented, if required as a result of a review/inspection
- Include results of QA measures in monthly report

Cost Control
- With the Cost Consultant, visit the site and provide timely input to update the Master Cost Plan
- Maintain financial tracking and change management records; afford PWGSC' Project Manager full and timely access to these records; (we will need to be more specific here – elsewhere we only specify access at end of yr – suggest must use Project Collaboration tool)
- Provide monthly reports of project cashflow, including forecasted requirements to [periods 8 and 12, yr+1, yr+2 and to complete]
- Provide approved budget, forecast, variances, actuals, billings, payments, etc.
- Highlight variances, possible mitigation strategies to bring project costs back into budget

Schedule Control
- With the Schedule Consultant, visit the site and provide timely input to update the Master Schedule Plan
- Maintain schedule tracking and change management records
- Provide monthly reports of project schedule, including forecasted timelines and milestones for input, decisions or approvals by Project Team members
- Using schedule tools, work with Project Team to explore options for resolving scheduling issues

Reporting
- Update the Project Plan to reflect the project status at the end of the Implementation Phase once Substantial Completion of the construction contract has been granted or upon occupancy

2.2.4 Project Delivery Close-Out Phase

Contractual Items
- Ensure that deficiencies are addressed and project is fully executed
- Ensure that all financial obligations and contractual obligations are met
- Ensure that all required documentation is submitted: statutory declarations, warranties, as-builts, record drawings (if required), photographs (if required), operating manuals, other
- Ensure that all approvals or sign-offs from federal, provincial, municipal authorities having jurisdiction are received
- Ensure that Commissioning Plan has been executed (training, documentation, warranties, etc.)
- Schedule 8/9-m inspections
- Track and facilitate issuance of Certificate of Completion for contracts

Final Reports (to be incorporated into the Project Plan)
- Final Cost Report
Details of outstanding issues
Details of warranties and obligations of consultants and contractors

Reporting
Update the Project Plan to reflect the project status at the end of the Close-out Phase and the end of the Project once [Substantive or close to Final Contract Completion] has been received. At this stage, it should include a summary of how the project was delivered against its original objectives and its approved EPA targets as well as any Lessons Learned.
G.1. Sample Briefing Note (Emergency Contract)

ADM: 
DG: 
Security: 

MEMORANDUM TO THE MINISTER

SUBJECT

To inform the Minister concerning a sequence of events which led to a decision to engage a construction/consultant firm on an emergency basis, in accordance with the Part III, Emergency Contracting Limit - T.B. Contracting Policy - Appendix C

FOR INFORMATION

SUMMARY

TIMEFRAME

BACKGROUND

On (date), (client, OGD etc.) informed PWGSC that a PWGSC (x) gallon underground oil tank, located at (address), was leaking and in possible violation of (acts, codes, bylaws, standards etc.) for underground storage tanks (see attached memorandum from client if applicable).

This event placed PWGSC in jeopardy, since the bunker fuel oil is required for emergency backup in the event that the regular gas supply from the main supplier under contract (name of firm), is interrupted or diverted as per contract agreement to domestic consumers. These oil tanks must be operational by (date) for the upcoming winter months.
It was agreed that the firm of (name firm and business address) should be awarded an emergency sole source contract at an estimated fee of ($) to design and supervise construction of a new underground oil tank storage facility for the following reasons:
- This firm is currently (has or has previously had a contract) or is in good standing with PWGSC to provide technical advice.
- By having this firm involved on an immediate basis, it was possible to devise interim contracting strategies and a construction plan with all alternatives considered.
- The alternative would have been to award an emergency construction contract in excess of ($) for new oil tanks which was not deemed to be an optimum long range solution and would also require time constraints for design approval from (design authority).

NEXT STEP

Based on the foregoing, a decision was made by the (Director/Regional Manager etc.,) to award a consulting contract on an emergency basis. This approval is within delegated departmental authority and requires a report to Treasury Board to advise of our action (see attached). It should be noted that competitive construction contracts have been initiated under existing departmental authority with an estimated construction cost of ($).

Deputy Minister

Attachments
G.2. Sample Report to the Treasury Board (Emergency Contract)

Issue:
Under existing departmental 'emergency contracting authority', a sole source consultant contract has been awarded to the firm of (name firm) at an estimated fee of ($) to design and supervise construction of a new underground oil tank storage facility located at (address).

Background:
An existing (x) gallon, PWGSC underground oil tank was found to be leaking and contaminating the surrounding area. Without immediate action, this contamination could very well extend to storm drains and eventually into the (name of river). Environment Canada have ordered the old tank (built in 1968) to be excavated and taken out of service as it may pose a violation of the (act) and fails to meet (x) standards under the Environment Code Of Practice For Underground Storage Tanks.

Action Plan:
PWGSC took immediate action to engage (firm) to investigate and provide an in-depth site assessment of the entire area to determine the level and extent of contamination. The resultant report confirmed the requirement for the construction for a new facility at an estimated cost of ($). Based on their background and knowledge of the facility, this firm was immediately engaged by RPB to design and supervise construction of the new facility. It should be noted that construction contracting has been initiated under existing departmental competitive construction contract authority on a selected invited basis and the project is underway.

References:
Government Contract Regulations
Contracting Policy - Bidding and selection
Contracting Policy - Annex C
Annex H – Related Links and References

- A Guide to Preparing Treasury Board Submissions
- A Primer on Surety Bonds in Federal Construction Contracts
- Acquisitions Branch
- Association of Canadian Engineering Companies (ACEC)
- Business Access Canada
- Canadian Construction Association
- Financial Administration Act - Government Contracts Regulations
- Financial Administration Act - Section 34
- Government Electronic Tendering Service (GETS)
- MERX Public Tenders
- National Master Specifications
- North American Free Trade Agreement (NAFTA)
- Policy Notice 43U: Use of Construction and Architectural and Engineering (A&E) Services Contracting Authorities (Technical Authorities)
- PWGSC - Code of Conduct for Procurement
- Royal Architectural Institute of Canada (RAIC)
- SELECT for RPSB/DCC
- Standard Acquisitions Clauses and Conditions (SACC Manual) - 5R - Real Property Contracting
- Standing Offer Information
- SOI - Standing Offer Index - Mandatory Standing Offers
  (note: Professional, Administrative and Management Support Services category identified on this site is not applicable to real property services. It is intended for other professional services such as scientific services, auditing services, financial services, etc.)
- T.B. Annex F - Project Brief
- T.B. Deadline Schedule for Signed Departmental Submissions
- T.B. Departmental Approval Authorities
- T.B. Policy - Bidding and Selection - Exceptions
- T.B. Policy - Contracting Policy
- T.B. Policy - Project Approval
- T.B. Submission Checklist Tool
- The Supply Manual