



## Construction Management Agreement

This Agreement made this \_\_\_\_\_ Date \_\_\_\_\_, 20\_\_\_\_ in the Province of British Columbia.

**Between:**

\_\_\_\_\_ ( hereinafter called the "Owner")

**And:**

\_\_\_\_\_ (hereinafter called the "Construction Manager")

The Owner intends to build four Canada Mortgage and Housing Corporation (CMHC) Social Housing Units at \_\_\_\_\_ and \_\_\_\_\_ in the community of \_\_\_\_\_ and requires the services of a Construction Manager.

The Owner hereby retains the Construction Manager to provide services for the following project:

Name: Project :

1

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In Consideration of the payments to be made by the owner as specified in this Agreement, the Construction Manager agrees as follows:

1. The Construction Manager agrees to:

a) Construct \_\_\_\_\_ Housing Units for \_\_\_\_\_

## **2. The Construction Manager's Services and Responsibilities**

a) Homes to be constructed according to the plans supplied by the Owner,

b) Construction to conform to NHA Building Code, attached Building Specifications Guide and local Building Code.

c) Estimates will be provided for all major sub-trades.

d) Construction to be completed by \_\_\_\_\_, 20\_\_\_\_

e) Work in close association with the Project Management team, which includes the Technical Service Manager and Housing staff.

f) Assemble the trade contract documents for all successful Trade Contractors. Check where required that all bonds, insurance policies, and workers' compensation certificates be provided and forward to (Owner) Finance Department.

g) The Construction Manager will, in accordance with the direction of Owner, arrange for contracts to be entered into between the various Trade Contractors and Owner

h) The terms and conditions of all trade contracts, including any amendments thereto, shall be subject to the approval of the Construction Manager.

**3. The Owner** hereby agrees to and does appoint the Construction Manager his authorized Limited agent to award contracts, (after obtaining the Owner's written approval as to forms and terms of contracts, and bonding arrangements), for the Owner's account covering the furnishing of materials and/or labour by trade contractors and suppliers for various parts of the project, also to purchase and/or rent for the Owner's account the necessary materials, tools, equipment and supplies required to the work. All material and labour contract awards and supply purchase and rentals shall be made in the name of Owner Administration.

## **4. The Owner's Responsibilities**

a) Surveys, Borings, and Tests, etc. The Owner shall furnish the Construction Manager with a survey plan of the lots and plot plans for the setting out of the structure(s). The Owner shall pay for boring, test pits, chemical, mechanical and other tests and inspections of the site, the structure and/or materials, which are requested by \_\_\_\_\_ for the proper performance of the work. The Owner shall also pay for any advertising incidentals to obtaining tenders and for any permits of licences, which may be required, and for any legal services appurtenant to the project as required by or on behalf of the Owner.

b) The Owner shall appoint one representative to attend all meetings and assist in the making of decisions or obtaining decisions required for the proper performance of the project. The Owner shall give all decisions required of him by the Construction Manager for the expeditious and economical execution of the project in such reasonable time as called for in the project schedule so as not to delay the work of the Construction Manager.

c) The Owner shall be responsible for the costs, delays or damages arising from errors or delays in the provision of any information or decisions to be given by the Owner to the Construction Manager.

d) The Owner shall provide for the Construction Manager use of the Owner's office equipment including telephone, facsimile machine and photocopier, and occasional secretarial services for correspondence related to the project.

e) The Owner shall be responsible for WCB for of the Owners members on training.

#### **5. Abandoned or suspended work:**

a) If any work undertaken by the Construction Manager is abandoned or suspended by the Owner in whole or in part, the Construction Manager shall be paid on abandonment or suspension for the services rendered on account of such work, in accordance with and proportionate to the schedule of payments of fees and costs hereinafter stated.

b) Termination: The Owner may terminate the service of the Construction Manager under this Agreement upon seven (7) days notice in writing to the Construction Manager at his address noted herein. Upon such termination the Construction Manager shall be paid in accordance with and proportionate to the work completed and schedule of payment of fees and costs herein after stated.

c) The Construction Manager may terminate his services after two (2) weeks notice in writing if the Owner fails to make payment in the time specified or if the work be stopped under the order of any court or other public authority through no act or fault of the Construction Manager.

#### **6. Extras, Deletions, and Errors**

a) If after a definite scheme has been approved the Owner makes a decision which, for its proper execution, involves extra services or expenses for changes in or additions to the work, or if the Construction Manager is required to perform extra services or pay expenses because of delays caused by the Owner, or because of the delinquency or insolvency or death of any such parties, litigation or arbitration proceedings, or as the result of damages to the work in progress by fire, lightning, or tempest, the Construction Manager shall be equitably paid for such extra services and expenses.

b) If the Construction Manager discovers an error inconsistency or omission in the specifications, he shall not proceed with the work affected until he has received corrected or missing information from the Owner.

c) Any extras or additions to the home that are requested by the homeowner, the fees will be between the Construction Manager and the homeowner, and any changes will have to be approved by the Project Management team.

## **7. Fees and Disbursements**

The Owner shall pay to Construction Manager in Canadian funds, for his services as follows:

a) A fee for basic services \_\_\_\_\_ (\$\_\_\_\_\_)

b) Reimbursement of the actual amount of all disbursements, which are chargeable to the Owner under the provisions of this Agreement. Notwithstanding the generality of the foregoing, chargeable disbursements shall not include the Construction Manager's expenses for local accommodation and meals, local personal travel, personal incidental expenses related thereto, office rental, office supplies and equipment expenses for communications related to the project, including long distance telephone and facsimile charges, photocopies, post and courier, and travel to other sites on project-related work, provided that said travel is approved in writing beforehand, are chargeable disbursements.

## **8. Terms of Payment**

a)

The Construction Manager shall submit a regular monthly billing to recover his expenses for all eligible disbursements, and direct job costs incurred.

No deductions shall be made for monies payable to the Construction Manager because of penalties, liquidated damages or other persons engaged on the work.

In the event that all project work is not completed within six months from the date of this agreement the parties hereto shall mutually agree to revised payment schedule for payments remaining.

## **9. Additional Terms**

The following additional terms are added and shall become part of the Agreement:

a) During progress of work and one months subsequent to the completion of the project the Owner shall maintain general liability insurance on behalf of the Construction Manager in the amount of not less than One Million dollars (\$1,000,000.00) which shall cover all claims for personal injury, including death, which may be made upon himself or the Owner, by members of the general public, by a contractor or by employees of the contractor or Owner who may be on or about the site while on or about their usual duties arising out of any action on the part of the Construction Manager or his agents, a contractor, or his employees or agents or both.

- b) The Construction Manager shall provide a level, survey rod and/or other survey instruments necessary to perform this work where such instruments are not immediately available to the Owner in the Community.
- c) The Construction Manager is obligated to ensure that he has adequate property insurance for his tools and personal possessions on site.
- d) The Owner does not warrant or guarantee the safety and security of any property left on site. The Owner will, however endeavor to maintain the customary level of security within any premises used by the Construction Manager for office use or storage. The Construction Manager hereby agrees that the Owner will not be held liable in the event of any loss or damage incurred.
- e) The fee for service payable to the Construction Manager is an inclusive contract fee from which he shall be solely responsible for any and all mandatory employment related contributions and the like.
- f) It is mutually understood by the parties hereto that the Goods and Services Tax (GST) will not apply to the services performed (on Indian Reserve only).

#### **10. Arbitration**

Claims, disputes and other matters in question in relation to the performance of work on the Project or the interpretation of any related contract document may be referred initially to \_\_\_\_\_ in writing for decision which will be consistent with the intent of the contract documents and in making these decisions shall not show partiality to any party. \_\_\_\_\_'s decisions will be determined in conjunction with and the agreement of the applicable Indian and Northern Affairs Canada Project Officer or such other mutually acceptable person.

#### **11. Rights and Remedies**

- a) The duties and obligations imposed by the contractor documents and the right and remedies available there under, shall be in addition to and not in substitution for any duties, obligations, rights and remedies otherwise available by law.
- b) No action or failure to act by the Owner or Construction Manager shall constitute a waiver of any right or duty afforded either of them under the contract, nor shall any action or failure to act constitute and approval of or acquiescence in any breach there under, except as may be specifically agreed in writing.

#### **12. Prior negotiations, Representations or Agreements**

This agreement superseded all prior negotiations, representations or agreements either in writing or oral.

#### **13. Language of the Contract**

This agreement is drawn in English at the request of the parties hereto.

**14. Addresses for Notice**

All communications in writing between the parties shall be deemed to have received by the addressee if delivered to the individual or to an official of the Owner for whom they are intended, or if sent by post as follows:

The Owner

The Construction Manager

**15. Succession**

Subject to law and the provisions of the Contract Documents, this agreement shall ensure to the benefit of and be binding upon the parties hereto, their respective heirs, legal representatives, successors and assigns.

In witness whereof the parties hereto have executed this agreement by the hands of their duly authorized officers as of the day the year first above written.

Signed, Sealed and Delivered in the presence of:

Owner

.....  
Signature

.....  
Name and Title (print)

.....

Construction Manager

.....  
Signature

.....  
Name and Title (print)

n.b. Where legal jurisdiction, local practice, or owner or Construction Manager requirements calls for:

a) Proof of authority to execute this document, attach such proof or authority in the form of a certified copy of a resolution naming the representative(s) authorized to sign the Agreement for and on behalf of the parties to this agreement; or

b) The affixing of a corporate seal, this Agreement should be properly sealed.