

**Date:** 3:30 – 5pm, June 19, 2023

Location: Hybrid via VRCA Boardroom and Microsoft Teams

Attendee	Company	Div	In person	Virtual
Scott Adkins – Division Vice Chair	PCL Construction Westcoast Inc.	GC	•	
Katy Fairley	BCCA / Fairley Strategies			•
Aaron Toews	Yellowridge Construction Ltd.	GC		•
Craig Archibald	JJM Construction Ltd.	GC		•
David Bowyer	ITC Construction Canada Inc.	GC		•
Chris Stewart	Kenaidan Contracting Ltd.	GC		•
Ronan Deane	North America Construction	GC		•
Frances Cartmel	Graham Management Services	GC		•
Gary Hamata	Peter Kiewit Sons ULC	GC		•
Richard Shipway	Syncra Construction Corp.	GC		•
Stephan Lacombe	Pomerleau Inc.	GC		•
VRCA Staff				
Erin Wormald - Member Experience Specialist	VRCA		•	

#### **Action Items**

Item #	Owner	Action	Timeline
GC230619-1	VRCA Members	<ul> <li>Topic #1 – General Contractors being Responsible for the Coordination of Drawings from their Consultants.</li> <li>Provide Katy Fairly Contracts from Private Owners but more specifically Public Sector Buyers of Construction Services that have language that is favorably clear for delineation of responsibility and/or anything we see our clients omitting that we want added back into the contract. <a href="mailto:katy.fairley@bccassn.com">katy.fairley@bccassn.com</a></li> </ul>	Ongoing
GC230619-2	Division Chair	Topic #2 – Prompt Payment Legislation	2023/08/01
	DIVISION CHAIL	Provide status of the VRCA Letter Writing Campaign.	



GC230619-3	VRCA Workforce Development	<ul> <li>Topic #3 – Supply Chain</li> <li>Research education and training available on Change Orders &amp; Submittals. VRCA to organize a lunch and learn.</li> </ul>	Fall/Winter 2023
GC230619-4	VRCA	New Business - Meeting Agenda provided to Attendees to Include Topics to be Discussed prior to Division Meeting	Next GC Division Meeting
GC230619-5	Interim President	New Business - Provide an update on status of new President.	Next GC Division Meeting

### Agenda:

- 1. Introductions
- 2. Discussion topics as presented by Division Vice Chair
- 3. New Business

### **Discussion Topics**

Topic	Discussion Points	Conclusions (if applicable)	Action Item
1. General Contractors	Becoming a bigger issue for the GC's.	Client Education.	GC230619-1
being Responsible for	Katy Fairley – Questions to GC's	<ul> <li>Pushback directed to the</li> </ul>	
the Coordination of	<ul> <li>Is it a matter of seeing an expectation shift from the Owner to the</li> </ul>	Clients for clear delineation	
Drawings from their	Contractor? Also, is it being shifted contractually in any type of	or accountability for who is	
Consultants.	supplementary conditions or just contract conditions?	responsible.	
	Katy Fairly – Update	When choosing not to bid a	
	This topic was flagged at the Public Procurement Council of BC as the	project because of the risk	
	quality of documents continues to fall. ACEC-BC & AIBC were in	factors involved send a	
	attendance.	private message to the	
	<ul> <li>Owners Only Sessions – 200 Owners from the Public Sector across BC</li> </ul>	Client stating why you	
	joined VRCA & BCCA on this and had a Lawyer speak to this topic last	aren't bidding and be more	
	week. Noting that unless it is a design build there is no place for the	vocal about these issues. If	
	downshifting of design risk to Contractors. That's not the purpose of	VRCA Members are not	
	those other delivery methods.	comfortable submitting	
		their feedback to the Client	



 If anyone has any examples of contract conditions where that is being pushed down particularly by the Public Sector Katy would be interested in reading those.

### GC Responses:

- Our experience is the expectation has been from our clients. Recently
  have had discussions on crafting language in upcoming contracts to
  make sure it's clearly defined as the Owners (or their Designers)
  responsibility. Unless it's design build, we don't particularly want
  anything to do with it.
- It's the Owners responsibility but the GC's end up helping with that.

### Question to Katy:

 Are there some situations that Owners are looking to turn that responsibility on GC's in contract models other than design build?

### Response by Katy:

 I have seen language that starts pushing design risk down. Disturbing trends in Standard Contracts we are seeing is Owners removing clause GC3.4.2 out of the CCDC-5B that does state that the Construction Manager has no liability for any errors, inconsistencies, or omissions in the drawings.

### GC Responses:

- We are not contractually required to coordinate the design of your professional consultants. We are here to review it and give advice and feedback.
- There is a need for more education on this topic to our Clients.
- Liability for quality of drawings and design coordination.
- This is driving up our pricing as GC's require extra staff to manage the coordination of poor IFT/IFC documents. These costs should be passed back to clients.
- Implied language and omission of clear design coordination responsibilities is pushing risk onto GC's.
- ➤ Change of Conditions Clauses

- themselves, please forward your response letters to Katy Fairley and these can be relayed to the Client on your behalf.
- Read Your Contract
   Webinar Series from CCA
   <a href="https://www.cca-acc.com/events/connected-webinars/">https://www.cca-acc.com/events/connected-webinars/</a>
- Read Your Contract Infographics from BCCA <a href="https://bccassn.com/read-your-contract/">https://bccassn.com/read-your-contract/</a>



	1.	
	Supplementary Conditions amending CCDC Documents.	
	<ul> <li>Katy - If you are seeing any current projects with problematic clauses,</li> </ul>	
	please forward to Katy and it will stay confidential, and we can engage	
	we will try.	
	<ul> <li>BCCA has engaged with CCDC &amp; CCA regarding supplementary</li> </ul>	
	conditions.	
2. Prompt Payment	Katy Fairley – Update	GC230619-2
Legislation	<ul> <li>We are still about where we were 1.5-2 years ago when the</li> </ul>	
	government agreed to form a working group in Oct. 2021. This was	
	put on hold and they are now agreeing to put that in motion which	
	happened 3-4 weeks ago.	
	This is still the #1 advocacy file for BCCA.	
	What we are hearing from Ontario is that it's working, it's helping and	
	it's making a difference. Adjudication isn't being used much.	
	Prompt Payment is also Lien Reform and Adjudication Services.	
	Lien Reform - Rewriting the 1997 Builders Lien Act.	
	Our expectation is that there is a statutory release of holdback funds	
	both progressively and on the entirety of the contract.	
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	In Ontario they are seeing the number of startup smaller trade firms  At the Construction At the Options	
	go up since the introduction of the Construction Act in Ontario.	
	> VRCA Letter Writing Campaign	
	Prompt Payment Status in Canada:	
	British Columbia - No prompt payment legislation has been introduced.	
	Alberta - Prompt Payment and Adjudication in force since August 29,	
	2022.	
	<ul> <li>Manitoba - 3rd reading of Bill 38 (Prompt Payment) on May 15, 2023.</li> </ul>	
	Saskatchewan - Prompt Payment and Adjudication in force since March 1,	
	2022.	
	Ontario - Prompt Payment and Adjudication In force since October 1,	
	2019.	



3. Supply Chain	<ul> <li>Quebec - Amendments made to legislation on June 2, 2022, following a successful prompt payment pilot program.</li> <li>Newfoundland and Labrador - No prompt payment legislation has been introduced.</li> <li>New Brunswick - Bill 42 - Prompt Payment and Adjudication introduced May 9, 2023</li> <li>Nova Scotia - Royal Assent on April 12, 2019. Not in force.</li> <li>PEI - No prompt payment legislation has been introduced.</li> <li>Northwest Territories - No prompt payment legislation has been introduced.</li> <li>Yukon - No prompt payment legislation has been introduced.</li> <li>Chair: Supply chain delivery/delays. What are you encountering and what type of impact is it having?</li> <li>GC Responses:         <ul> <li>We are seeing it settle down a little bit.</li> <li>There is a need to continue to be due diligent on lead times, planning and communicating with Clients.</li> <li>Clients are starting to realize the reality of the situation and listen.</li> <li>Trades are getting better at communicating lead times.</li> <li>Seeing restrictive clauses on when you get paid for material fabricated, material delivered to site, material incorporated into the work causing the trades to reach out to the GC's for help to get these paid from the Client. Causes the GC's to have to finance this at times when unable to pull these funds from the client.</li> </ul> </li> <li>Deposits are also becoming a tool to help secure a place in line for</li> </ul>	•	Put milestones dates in the contracts/quotes regarding payments. Give a budget or schedule of values. Include long lead times of materials.	GC230619-3
4. Decreat Transparent	fabrication or delivery from trades and suppliers.			
<ol> <li>Prompt Turnaround Times by Owners &amp; Consultants</li> </ol>	<ul> <li>Seeing lack of review and due diligence; often not treated with a sense of urgency from the client and their designates.</li> <li>Feeling is that the industry is it not getting better but worse.</li> <li>Hearing the excuse of labour shortage from our clients, but this should not be accepted.</li> </ul>	•	GC's need to improve at educating their Trades and Clients on Change Orders and Submittals.	



Change Orders & Submittals
Standards are decreasing from Trades, but this is an area that GC's
can support by holding project or industry sessions on what good and
defendable documentation looks like.
➤ The Provincial Government wants to bring in AI to fix the building permit
problem.

#### **New Business**

Brought to floor by:	Discussion Points	Conclusions (if applicable)	Action Item
Aaron Toews	Delegated Design		
Richard Shipway	Honoring Pricing & Contracts		
Ronan Deane	Meeting Agenda to Include Topics to be Discussed.		GC230619-4
	Will Pauga to provide an update on status of new President.		GC230619-5