TABLE OF CONTENTS

GENERAL SPECIFICATIONS

51.1		DEFINITIONS AND INTERPRETATION (For Maintenance Work)	
	51.1.1	ACTIVITY	1
	51.1.2	BID ITEM	1
	51.1.3	CONTRACT	1
	51.1.4	CONTRACTOR	1
	51.1.5	CONTRACT INSPECTOR	1
	51.1.6	CONTRACTOR'S PROPOSAL	1
	51.1.7	DEPARTMENT	2
	51.1.8	ENGINEER	2
	51.1.9	IMPLIED PROVISIONS	2
	51.1.10	MATERIAL	2
	51.1.11	MINISTER	2
	51.1.12	OPERATIONS MANAGER	2
	51.1.13	PERSON	2
	51.1.14	PLANS	2
	51.1.15	PROSPECTIVE CONTRACTOR	3
	51.1.16	SPECIFICATIONS	3
	51.1.17	SURETY	3
	51.1.18	WORK	3
	51.1.19	WORK ORDER	3
51.2		GENERAL (For Maintenance Work)	4
	51.2.1	SCOPE OF WORK	4
	51.2.2	EXAMINATION OF WORK	4
	51.2.2.1	Prospective Contractor's Investigation	4
	51.2.2.2	Hierarchy Of Documents	4
	51.2.2.3	Deviations From Plans	5
	51.2.2.4	Error or Omission	5
	51.2.3	CONTRACTOR'S PROPOSAL	5
	51.2.4	WORK OUTSIDE CONTRACT BOUNDARIES	5
	51.2.5	CONTRACTING OF OTHER WORK	6
	51.2.6	GUARANTEED ANNUAL PAYMENT	6
	51.2.6.1	Minimum and Average Annual Payment	6
	51.2.6.2	Calculating Minimum and Average Annual Payments	6
	51.2.6.3	Work Quantities	
	51.2.7	REJECTION OF PROPOSALS	7
	51.2.8	COMPETENCY	7
	51.2.8.1	Safety Prequalification	7
	51.2.9	SECURITY	8
	51.2.9.1	Performance Security	8
	51.2.9.2	Labour and Materials Payment Bonds	
	51.2.10	NOTICE OF CLAIMS INFORMATION	. 10
	51.2.11	CONTRACTOR'S WARRANTY	. 10
	51.2.12	INSURANCE	. 11

51.2.13	DUE CARE, CLAIM SETTLEMENT AND HOLD HARMLESS	12
51.2.14	AUTHORIZATION OF WORK	
	General	
	Work Orders	
	Emergency Situations	
	Haul of Material	
	Examination of Work	
	Scheduling of Work	
	Inspection by the Department	
	Measurement and Verification of Quantities for Payment	
31,2,17,0	51.2.14.8.1 Establishing Quantities by the Engineer	
	51.2.14.8.2 Measurement by the Contractor	
51 2 14 0	Quantity Variations	
	Contractor Certification of Work in Progress or Completed Work	
	Compensation for Accelerated Scheduling of the Work	
	Adjustment to Work Order Completion Date	
	Cancellation of a Work Order	
51.2.15	PAYMENT AND HOLDBACK	
	Payment	
	Holdback	
	Release of Holdback	
51.2.16	MOBILIZATION AND DEMOBILIZATION	
51.2.17	INDIRECT OPERATING COSTS	
51.2.18	GOODS AND SERVICES TAX	
51.2.19	PAYMENT FOR LABOUR AND MATERIAL	
51.2.20	INNOVATION	
51.2.21	TEMPORARY SUSPENSION OF WORK	
	Engineer's Authority to Suspend Work	
	No Compensation	
	Compensation For Standby	
51.2.22	HINDRANCES AND DELAYS	
	Utilities	
51.2.22.2	Work by Others	
51.2.23	DEFAULT	
51.2.23.1	Causes And Notice	24
51.2.23.2	Failure to Remedy	26
51.2.23.3	Demerit Point Assessment and Appeal Process	26
51.2.23.4	Penalties for Unsatisfactory Performance	26
51.2.23.5	Emergency Winter Default Procedure	
51.2.24	ANNULMENT WITHOUT FAULT OF CONTRACTOR	27
51.2.25	ASSIGNMENT AND SUBCONTRACTING	27
51.2.26	CHANGES TO WORK FORCE AND/OR EQUIPMENT	28
51.2.27	CHANGES IN THE WORK	28
51.2.28	EXTRA WORK	29
51.2.28.1	General	29
51.2.28.2	Labour	29
51.2.28.3	Equipment	29
51.2.28.4	Equipment Rental Rates Guide for Equipment	29
51.2.28.5	Purchased Material	
51.2.28.6	Supervision	
51.2.28.7	Transportation of Workers and Equipment	
	* * *	-

51.2.28.8	Payment for Extra Work	31
51.2.29	ENGINEER SOLE JUDGE OF WORK	
51.2.30	AUTHORITY OF THE ENGINEER	
51.2.30.1		
51.2.30.2		
	Defective Work	
	Unauthorized Work	
51.2.31	AUTHORITY OF THE OPERATIONS MANAGER	
51.2.32	AUTHORITY OF THE OPERATIONS ENGINEER	
51.2.32	AUTHORITY OF THE CONTRACT INSPECTOR	
51.2.34	AUTHORITY OF A FIELD SERVICES TECHNOLOGIST	
51.2.35		
	AUTHORITY OF THE REGIONAL SAFETY OFFICER	
51.2.36	CONTRACTOR'S PROJECT SUPERVISOR	
51.2.37	STAKES, MARKS AND ENGINEERING TESTS	
51.2.38	VOLUNTARY "PARTNERING"	
51.2.39	MOBILE RADIO COMMUNICATIONS SYSTEM	
51.2.40	COMMUNICATIONS	
51.2.40.1		
51.2.40.2		
	Verbal Communications	
51.2.40.4		
	51.2.40.4.1 General	
	51.2.40.4.2 Emergency Communications	
	51.2.40.4.3 Vehicle Markings	
51.2.41	WORK PLANNING	
51.2.41.1	- r · · · · · · · · · · · · · · · · · ·	
51.2.41.2	Executive Management Meetings	
51.2.42	COMPLIANCE WITH LAWS AND REGULATIONS	
51.2.43	PAYMENT BY WEIGHT	
51.2.43.1	Supply of Platform Weigh Scales	38
51.2.43.2	Operating Standards for Platform Weigh Scales	38
51.2.43.3	Verification of the Accuracy of a Weigh Scale	39
51.2.44	PAYMENT BY VOLUME	39
51.2.45	RECORDS OPEN FOR INSPECTION	39
51.2.46	DATA FOR INFRASTRUCTURE MANAGEMENT SYSTEM	39
51.2.47	OWNERSHIP OF DATA	39
51.2.48	CONFIDENTIALITY	40
51.2.49	FREEDOM OF INFORMATION	40
51.2.50	MAINTENANCE FACILITIES	40
51.2.51	EXISTING SAND AND SALT STOCKPILES FROM A PREVIOUS DEPART	MENT
	CONTRACT	
51.2.52	PRECAUTIONS AS TO FIRE	
51.2.53	OCCUPATIONAL HEALTH AND SAFETY ACT	
51.2.53.1	Occupational Health and Safety Act	
51.2.53.2	1	
51.2.53.3		
51.2.53.4	S	
51.2.53.5	•	
51.2.53.5	POLLUTION CONTROL	
	CLEAN WORK SITE	
51.2.55	DEMURRAGE AND DAMAGES	
51.2.56	DENIUKKAGE AND DANIAGES	43

Specification 51.1, 51.2 and 51.3 General Specifications (For Maintenance Work)

	51.2.57	SAFEGUARDING UTILITY INSTALLATIONS	43
	51.2.57.1	Contractor's Responsibility	43
		Liaison and Location	
	51.2.57.3	Precautionary Measures	43
	51.2.58	DISPOSAL SITES	44
	51.2.59	TIME OF COMMENCEMENT	
	51.2.60	CLAIMS AND DISPUTE RESOLUTION	
	51.2.60.1	Claims Resolution	44
		51.2.60.1.1 Claims	44
		51.2.60.1.2 Resolution of Claims	44
	51.2.60.2	Dispute Resolution Process	45
	51.2.61	DAMAGE TO WORK	46
	51.2.62	EQUIPMENT AND MATERIALS	
	51.2.62.1	Equipment	46
	51.2.62.2	Materials	46
	51.2.63	EXTENSION OF CONTRACT	46
	51.2.64	PRICE ADJUSTMENT DUE TO INFLATION	46
	51.2.64.1	General	46
	51.2.64.2	Index Factor	47
	51.2.64.3	Application of Net Index Change	49
	51.2.65	ALLOWABLE NUMBER OF CONTRACT MAINTENANCE AREAS	
51.3		TRAFFIC ACCOMMODATION AND TEMPORARY SIGNING (For Maintenance	e Work))
	51.3.1	GENERAL	50
	51.3.2	HOURS OF WORK	
	51.3.3	THIRD PARTY ACCIDENT REPORTING	50
	51.3.4	MATERIALS	
	51.3.5	TRAFFIC ACCOMMODATION STRATEGY	
	51.3.6	PROCEDURES	
	51.3.6.1	General	
	51.3.6.2	Signing	
	51.3.6.3	Flagpersons	53
	51.3.6.4	Detours	
	51.3.6.5	Removal and Salvage of Existing Signs and Guideposts	
	51.3.7	MODIFICATIONS TO TEMPORARY SIGNING	
	51.3.8	DAILY RECORDING OF TEMPORARY SIGNING	54
	51.3.9	COMPLIANCE	
	51.3.10	MEASUREMENT AND PAYMENT	54

GENERAL SPECIFICATIONS

DEFINITIONS AND INTERPRETATION (For Maintenance Work)

All definitions, employee titles and Department descriptions are subject to change based on prescribed operational parameters.

51.1.1 ACTIVITY

"Activity" shall mean the amount of related Work that applies to a specific roadway maintenance operation and may involve one or more bid items.

51.1.2 BID ITEM

"Bid Item" shall mean the quantity of Work for which a single unit price is paid.

51.1.3 CONTRACT

"Contract" shall mean the written agreement covering the performance of the Work and the supplying of labour, equipment and material required to complete the Work, and shall include, without limiting the generality of the foregoing, the Contractor's Proposal, Security, Plans, Specifications, Special Provisions, notices, supplemental specifications, specification amendments and all supplemental agreements required to complete the Work.

51.1.4 CONTRACTOR

"Contractor" shall mean the person agreeing to perform the Work set out in the Contract.

51.1.5 CONTRACT INSPECTOR

"Contract Inspector" shall mean the agent or official assigned to the Work by the Engineer, to perform the functions described in this document.

51.1.6 CONTRACTOR'S PROPOSAL

"Contractor's Proposal" or "Proposal" shall mean the document submitted by the Contractor in response to the Department's Request for Proposals.

51.1.7 DEPARTMENT

"Department" shall mean Her Majesty the Queen in right of Alberta, as represented by the Department of Transportation.

51.1.8 ENGINEER

The "Engineer" shall mean the person designated by the Minister to administer Contracts for Maintenance Work, and shall include a person authorized by the Engineer to perform, on his behalf, any of his functions under the Contract

1

51.1.9 IMPLIED PROVISIONS

In the Contract:

- (a) words importing male persons include female persons and corporations;
- (b) words in the singular include the plural, and words in the plural include the singular;
- (c) the applicable law shall be the laws in force in the Province of Alberta;
- (d) time shall be of the essence; and
- (e) headings and subheadings are not substantive and are inserted for reference only.

51.1.10 MATERIAL

"Material" shall mean all or any part of the commodities or other items used or expended in the prosecution of the Work and includes materials furnished by the Contractor or by the Department for use by the Contractor.

51.1.11 MINISTER

"Minister" shall mean the Minister of Transportation for the Province of Alberta or his authorized representative.

51.1.12 OPERATIONS MANAGER

"Operations Manager" shall mean the agent or official assigned to the Work by the Engineer, to perform the functions described in this document.

51.1.13 PERSON

"Person" shall include a corporation or a partnership and the heirs, executors, administrators and/or other legal representatives of a person.

51.1.14 PLANS

"Plans" shall include all drawings or reproductions of drawings provided by the Department and pertaining to the Work.

51.1.15 PROSPECTIVE CONTRACTOR

"Prospective Contractor" shall mean any individual, partnership, or corporation submitting a Proposal for the Work

51.1.16 SPECIFICATIONS

"Specifications" shall include all specifications and Plans and the directions, schedules, Special Provisions and requirements contained herein, together with all written agreements made or to be made, pertaining to the method and manner of performing the Work, or to the quantities or quality of Material to be furnished under the Contract.

51.1.17 SURETY

"Surety" shall mean the person bound with the Contractor to provide security, respectively, for:

- (a) Payment to the Department in the event of default or Contract termination.
- (b) Payment in full for all labour and materials used or reasonably required in the performance of the Contract.

51.1.18 WORK

"Work" shall mean all or any part of the work to be performed by the Contractor under the Contract, as directed by the Engineer, whether complete or incomplete, and any or all of the equipment, Material and labour supplied by or for the Contractor.

51.1.19 WORK ORDER

"Work Order" shall mean a written document which identifies a component of the Work to be performed by the Contractor, the bid items to be used, and the required completion date or response time.

GENERAL SPECIFICATIONS

51.2 **GENERAL** (For Maintenance Work)

51.2.1 SCOPE OF WORK

This Specification sets out the general requirements for the performance of maintenance operations on roadways and where applicable, Vehicle Inspection Stations, roadside turnouts, Rest Areas, under the jurisdiction of the Minister of Transportation within the Province of Alberta. The requirements for maintenance will be identified jointly by the Department and the Contractor and the Work required will usually be defined and issued to the Contractor through a Work Order. However, the Contractor shall respond directly to emergency situations relating to the safety of the travelling public.

The limits of the Contract will be specified on a geographical basis, as indicated in the Contract documents. The Work will not normally include capital construction or pavement rehabilitation unless directed by the Engineer.

The Engineer reserves the right to modify the scope of the roadway systems and other assets to be maintained under the Contract. An increase or reduction in scope will generally result from a change in designation and transfer of the road authority to or from other Government agencies. However, any corresponding change in quantities shall not be considered as a waiver of any term or condition of the Contract, nor shall any changes be made in the Contract unit prices on account of any such alterations.

51.2.2 EXAMINATION OF WORK

51.2.2.1 Prospective Contractor's Investigation

The Prospective Contractor shall examine the Plans, Specifications and Contract forms and carefully investigate and satisfy himself of every condition affecting the Work, including the site conditions and the labour and material to be provided. Submission of a Proposal shall be conclusive evidence that the Prospective Contractor has made such investigation and assumes all risk regarding conditions affecting the Work.

51.2.2.2 Hierarchy Of Documents

In the event of discrepancies, the hierarchy of documents shall be as follows, in descending order:

- ! special provisions
- ! specification amendments
- ! applicable appendices contained in the document entitled Dispute Resolution Process for Government of Alberta Construction Contracts, Edition 1, 1997
- ! plans
- ! general specifications
- ! technical specifications
- ! mobilization plan
- ! work execution plan

In the event of a difference between scaled dimensions on Plans and the figures written thereon, the figures shall govern. In the event that two or more Plans show conflicting information, the information on the most recently dated Plan shall govern.

51.2.2.3 Deviations From Plans

No deviation from the Plans or the approved working drawings will be permitted without a written order of the Engineer.

51.2.2.4 Error or Omission

In the event of an error or omission of any detail from the Specifications or Plans, only the best general practice, in the opinion of the Engineer, is to prevail, and only Material and workmanship of the highest quality are to be used.

51.2.3 CONTRACTOR'S PROPOSAL

The Contractor's Work Execution Plan, Environmental Management Plan, Safety Management Plan and any other documentation submitted as part of the Contractor's Proposal shall form part of the Contract.

The Contractor shall maintain the currency of these documents and shall notify the Engineer of any occurrence which results in a change to these documents.

The Contractor shall at any time when requested, provide the Engineer with evidence that the Contractor is able to finance the remainder of the Contract.

51.2.4 WORK OUTSIDE CONTRACT BOUNDARIES

The Engineer may direct the Contractor to perform Work outside the specified Contract area boundaries. The Work will be limited to Contract-related items. The Engineer may direct the Contractor to perform this Work with other contractors. Such Work will normally be required for emergency situations in which the safety of the travelling public is an issue or protection of the highway infrastructure is required.

Payment for any Work outside the Contract area boundaries will be at the rate specified in the unit price schedule for the Contractor performing the Work. Any additional cost such as travel time, will be paid in accordance with Section 51.2.28, Extra Work and will be identified when the Engineer orders the Work.

51.2.5 CONTRACTING OF OTHER WORK

The Minister reserves the right to contract for the performance of other work at any time within the geographical area of the Contract. Such contracts may include types of work which are included oridentified in this Contract. The types of work which may be completed through these separate contracts or agreements include but are not limited to the following:

- (a) Crushing and stockpiling of aggregate,
- (b) Traffic signal maintenance,
- (c) Capital construction work, including major pavement rehabilitation, major seal coat surfacing, line painting, guardrail construction, supply and installation or replacement of culverts, major bridge work, installation of Jersey Barriers or permanent highway signing relating to this construction, and

5

(d) Significant erosion control or other environmental improvements.

51.2.6 GUARANTEED ANNUAL PAYMENT

51.2.6.1 Minimum and Average Annual Payment

The Department guarantees a total minimum and average annual payment to the Contractor based on projected costs as calculated in Section 51.2.6.2, Calculating Minimum and Average Annual Payments and on the following basis:

- C For full years of the Contract, a minimum annual payment of 75% (Exclusive of escalation/deescalation).
- C Notwithstanding the minimum annual guarantee of 75% (Exclusive of escalation/de-escalation), the Contractor is assured of an average annual payment of 85% (Exclusive of escalation/de-escalation) over the term of the Contract.

These amounts are based on a complete fiscal year from April 1 to March 31 and will be prorated for partial fiscal years depending upon commencement and completion dates of the Contract.

51.2.6.2 Calculating Minimum and Average Annual Payments

In calculating the minimum and average annual payments, the total yearly projected revenue will be based on the first year Provisional Quantities (shown in the Unit Price Schedule) multiplied by the bid price plus the following Fixed Operating Cost bid items:

Truck Availability Highway Maintenance Work Indirect Operating Costs Indoor Heated Truck Storage

51.2.6.3 Work Quantities

An Activity may be comprised of several bid items and used in several combinations to order the Work required. The Engineer will determine the bid items to be used in performing the Work for a specific Activity. The Contractor is advised that the unit price of the various bid items may be a factor considered by the Engineer when selecting the bid items for completion of the Work.

The Provisional Quantities identified in the Request for Proposal are presented at the bid item level and generally represent a typical complete Department fiscal year from April 1 to March 31. (The quantities are based on an average of typical previous winter quantities and projected summer quantities for the first year of the Contract). These Provisional Quantities are approximate only and will be used as a component of the evaluation of the Proposals.

The actual quantities of Work required for each bid item, each year, will be determined by the Engineer.

51.2.7 REJECTION OF PROPOSALS

The Minister reserves the right to reject any or all Proposals.

Any or all Proposals will be rejected if there is reason to believe that collusion exists among the Prospective Contractors, and none of the participants in such collusion will be considered in future Proposals.

51.2.8 COMPETENCY

Contracts will be awarded only to Prospective Contractors registered with the Alberta Government Services Corporate Registry.

Contracts will not be awarded to any government agency, including but not limited to the government of Canada, the government of a province or territory of Canada, any agency thereof, or any municipality or other unit of local government within any province, Indian Reserve, Metis Settlement, or territory of Canada.

"Government Agency" means a branch, unit, subsidiary or other form of entity, owned or controlled by a government agency and includes any subsidiaries or entities owned or controlled by that agency.

51.2.8.1 Safety Prequalification

Contracts will be awarded only to Contractors who, prior to the time fixed for receiving Proposals, have achieved accreditation/recognition or have enrolled in a safety certification program relevant to this industry and recognized by Alberta Human Resources and Employment, Workplace Health and Safety. Contractors who have not yet achieved accreditation in such a program, but have a "Temporary Letter of Certification" (T.L.C.), must achieve full certification within 6 months of signing the Contract.

The Department will verify the Contractor's compliance with this requirement through the Alberta Construction Safety Association.

It is the Contractor's responsibility to ensure that his registration in the program is properly documented with the Alberta Construction Safety Association, and the Department will assume no liability for errors or omissions by the Alberta Construction Safety Association in this regard.

During the progress of the Work, the Contractor shall complete monthly health and safety summary reports and submit these reports to the Operations Manager at the end of each month.

Annually, during the month of April, the Contractor and Operations Manager shall jointly complete the Project Completion Health and Safety Report.

The Department will provide copies of these forms to the successful Contractor.

The Contractor shall also ensure to his satisfaction that any subcontractors/owner-operators are able to comply with all health and safety requirements before commencing the Work.

51.2.9 SECURITY

The successful Contractor shall furnish security, in a form satisfactory to the Minister, in the amount of:

- (a) \$250,000 per Contract Maintenance Area as a performance security to the Department in the event of Contractor default or Contract termination, as defined in 51.2.23, Default, to be paid to the Department as a pre-calculation of liquidated damages; and
- (b) \$500,000 per Contract Maintenance Area for payment in full of all claims for labour and Material used or reasonably required in the execution of the Contract.

7

51.2.9.1 Performance Security

An irrevocable letter of credit, certified cheque, bank draft, money order or forfeit bond will be the form of security required for the performance of the Contract.

When irrevocable letters of credit are used, they shall comply with the following:

- (a) The irrevocable letter of credit shall be provided by a domestic chartered bank as listed in the Bank Act, Schedule A, Domestic Chartered Banks, Schedule B, Foreign Chartered Banks, or Alberta Treasury Branches.
- (b) Unless otherwise approved by the Engineer, the irrevocable letter of credit shall be worded the same as the sample in the Contract.
- (c) The irrevocable letter of credit shall be renewed annually, shall be in force throughout the term of the Contract, and shall contain an automatic renewal clause that will provide the Department with advance notice of non-renewal a full 90 days before the renewal date.
- (d) Should the Contractor fail to renew the irrevocable letter of credit, the Department may, without further notice, draw funds on the irrevocable letter of credit.

When forfeit bonds are used, they shall comply with the following:

- (a) Unless otherwise approved by the Engineer, the forfeit bond shall be worded the same as the sample in the Contract.
- (b) The initial term shall be for a minimum period of 2 years.
- (c) The forfeit bonds shall be subsequently renewed annually for a minimum of two year terms.
- (d) Should the Contractor fail to renew the bond, the Department may without further notice draw funds on the forfeit bond.

Irrevocable letters of credit, certified cheques, bank drafts, money orders or forfeit bonds will be released:

- (a) upon expiration of the Contract, or
- (b) in cases where Section 51.2.11, Contractor's Warranty applies, after the expiration of the warranty period, provided any repairs are completed to the satisfaction of the Engineer.

51.2.9.2 Labour and Materials Payment Bonds

A labour and material payment bond will be the form of security required and shall comply with the following:

- (a) The initial term shall be a minimum of two years;
- (b) The bond shall be subsequently renewed annually for two year terms; and
- (c) The labour and materials bond shall remain in place for 120 days after completion of the Contract.

8

The Department will provide the Prospective Contractor with blank bond forms for completion.

51.2.10 NOTICE OF CLAIMS INFORMATION

The Public Works Act (Alberta) applies to this Contract. The Builder's Lien Act (Alberta) does not apply. For the purposes of interpreting the "Notice of Claim" provision under Section 14 of the Public Works Act, the claim shall be deemed to be a claim under section 14(2) in which the notice of claim shall be sent by registered mail not sooner than 30 days nor later than 90 days after the last day on which the labour, equipment, Material or services were provided.

The Contractor shall post, at his project field office or other conspicuous location accessible to employees, subcontractors, truckers, material suppliers, et cetera, copies of the following:

- C Standard Claim Form
- C Bond Notice
- C Section 14 of the Public Works Act regarding Notice of Claim
- C Copy of this Section 51.2.10

These shall be protected in a legible condition for the duration of the Contract. Copies of these documents will be provided to the successful Contractor prior to commencement of the Work.

51.2.11 CONTRACTOR'S WARRANTY

During the warranty period, the Contractor shall warrant the Work to be free from any defect or failure and to withstand climatic, maintenance and normal operational conditions. The warranty period for the Work shall be as specified in the Technical Specification applicable to the Work performed. The warranty period shall commence on the date of completion of the Work as determined by the Engineer.

The Contractor shall, at his own expense, repair any such defect or failure which occurs in the Work prior to the expiry of the warranty period. The Engineer and/or the Contractor will identify the warranty items during the warranty period and document the repairs required. The Contractor shall make these repairs promptly and in accordance with the method laid out in the original Work Order, and shall give the Engineer prompt notice of the repair performed.

The warranty period applies to the original work and once repaired in accordance with the Contract, the warranty period for the repaired work will not extend beyond the original expiry date. The repair of the warranty items will normally take place within the warranty period, the Engineer, however, may approve the repair work taking place outside the warranty period if the Contractor is delayed as a result of other Contract work.

If the Contractor fails to do the repairs promptly or to the satisfaction of the Engineer, the Engineer may then make other arrangements to have the repairs done, the cost of which shall be a debt due and owing by the Contractor to the Minister, which the Engineer will deduct from monthly progress payments due the Contractor or draw funds from the performance security provided by the Contractor.

51.2.12 INSURANCE

The Contractor shall, without limiting his obligations or liabilities herein and at his own expense, provide and maintain the following insurances in compliance with the Alberta Insurance Act, and in forms and amounts acceptable to the Minister:

- (a) Comprehensive Liability Insurance in an amount not less than five million dollars (\$5,000,000) inclusive per occurrence against bodily injury and property damage, including loss of use thereof. The Minister is to be added as an additional insured under this policy for any and all claims arising out of the Contractor's operations. The policy shall be endorsed to state it is primary and will not require the pro rata sharing of any loss by any insurer of the Minister. Such insurance shall include but not be limited to:
 - Products and completed operations liability,
 - Owner's and contractor's protective liability,
 - Blanket written contractual liability,
 - Contingent employer's liability,
 - Personal injury liability,
 - Non-owned automobile liability,
 - Cross Liability with respect to additional insureds,
 - Employees as additional insureds,
 - Broad form property damage endorsement,
 - Operation of attached machinery,
 - Sudden and accidental pollution,

and where such further risk exists:

- Blasting, Demolition, pile driving, caisson work **or** tunnelling, as applicable,
- Elevator and hoist liability,
- Towing/on hook coverage.
- (b) Automobile liability on all vehicles owned, operated or licensed in the name of the Contractor in an amount not less than five million dollars (\$5,000,000).

The Contractor shall provide the Engineer with a certified true copy of each policy prior to execution of the Contract. The Contractor shall also provide certified copies of the certificate of renewal of the policies, or certified copies of the replacement policies, as evidence that these coverages have been continued, for the duration of the Contract.

The Contractor shall ensure that products and completed operations coverage, as applicable, shall be in force for the duration of any warranty period.

All required insurance shall be endorsed to provide the Engineer with 30 days advance written notice of material change or cancellation.

The Contractor shall require and ensure that each subcontractor provide evidence of comparable insurance to that set forth in clauses (a) and (b) in an amount not less than two million dollars (\$2,000,000).

The Contractor is responsible for insuring his equipment against all risks of accidental loss or damage.

51.2.13 DUE CARE, CLAIM SETTLEMENT AND HOLD HARMLESS

The Contractor shall hold harmless the Minister, his employees and agents from any and all claims, demands, actions and costs whatsoever, that may arise directly or indirectly out of any act or omission of the Contractor, his employees, agents or sub-contractors, in the performance of the Work.

The Minister shall hold harmless the Contractor, his employees and agents from any and all claims, demands, actions and costs whatsoever, that may arise directly or indirectly out of any act or omission of the Minister, his employees or agents in the performance of the Work.

Such hold harmless shall survive the Contract.

The Contractor shall ensure that his forces and those of all subcontractors use due care to ensure that no person is injured and no person's property damaged in the prosecution of the Work. Without restricting the generality of the foregoing, the Contractor shall, at his own expense, make such provisions as may be necessary to avoid any such injury or damage.

All claims for injury, loss or damage arising in connection with the Work will be referred to the Contractor who shall deal with each claim in a fair and reasonable manner. The Contractor shall respond to each claimant in writing, setting out the Contractor's position with respect to the claim.

If the Contractor settles the claim, he shall provide the Engineer with written proof that the matter has been resolved. If the Contractor is unable to settle the claim or considers the claim to be invalid, he shall provide the Engineer with written reasons for rejecting the claim.

The Engineer will refer unresolved damage claims of less than \$1,500.00 to an independent adjuster, who will decide on the validity and value of the claim. The adjuster will be appointed by the Department.

If the adjuster decides that the claim is unfounded, the Department will bear the cost of the assessment. In all other cases, the Contractor shall pay the adjuster's fee and the claim and provide the Engineer with written proof that he has done so.

The Department may retain from money due the Contractor the amount of each claim pending its resolution, including payment to the claimant and the adjuster, where applicable.

51.2.14 AUTHORIZATION OF WORK

51.2.14.1 General

The Work to be performed under the terms of the Contract will be identified by Activity, and for each Activity the bid items necessary to perform the Work will be specified. The Work to be undertaken may be identified by the following process:

- (a) The Engineer will identify and order the Work;
- (b) The Contractor identifies a requirement and makes a recommendation to the Engineer; or
- (c) The public identifies a requirement to the Contractor or Engineer.

The Engineer will approve the scope and nature of the Work to be performed with the exception of emergency work and re-establishment of critical traffic control signs, which will be dealt with in accordance with Section 51.2.14.3, Emergency Situations, and minor work which is covered in the Highway Maintenance Work bid item.

The Engineer will issue instructions to the Contractor for the performance of the Work. These instructions may be in the form of a written Work Order, written instructions, or verbal instructions.

51.2.14.2 Work Orders

Work Orders, and the records of work and inspections, will be transmitted electronically as text, graphic, or other files via the Internet. Typically, this requires computer systems and servers capable of using file transfer protocols, and may require personnel dedicated to distribute Work Orders; or compile, enter, and transmit work records captured on paper at the worksite.

Work Orders will be transmitted to either the Contractor's corporate offices or his remote locations, as identified by the Contractor.

All Work and inspections completed (or in progress) by the Contractor will be reported and transmitted in batches to the site identified by the Engineer detailing but not limited to:

- C Correct location by segment
- C Date completed
- C Bit item quantities
- C Status of Work Order (complete or incomplete)
- C Person reporting
- C Any comments arising from the Work

The batch frequency shall be weekly at minimum.

51.2.14.3 Emergency Situations

Emergency situations will require very short response times by the Contractor and may include Work not specified in the Contract. The response to an emergency situation will be handled in either of the following ways:

- (a) When the Contractor observes an emergency situation or is contacted directly by emergency services such as the RCMP, local fire departments, Disaster Services or other similar agencies regarding an emergency situation, the Contractor shall co-operate with the request and, when necessary, take reasonable steps to ensure safe accommodation of the travelling public and protection of Department assets. The Contractor shall immediately notify the Engineer of any such requests. After the emergency, a Work Order will be issued to the Contractor.
- (b) When the Department receives notification of an emergency situation, the Contractor's representative will be contacted and given verbal authorization to perform the Work. The Contractor shall respond to the emergency within the time specified by the Engineer. After the emergency, a Work Order will be issued to the Contractor.

The Contractor shall treat absence of or damage to critical traffic signs, in particular Stop and Yield signs, as an emergency situation. When the Contractor either observes or is informed by the public or notified by the RCMP of an emergency situation involving signage, the Contractor shall immediately take appropriate temporary measures, either installing a temporary sign or performing traffic control measures to ensure the safety of the travelling public, and immediately inform the Engineer of the occurrence and the corrective action taken.

51.2.14.4 Haul of Material

The Engineer, prior to issuing a Work Order for the supply of Material which contains a bid item for haul, will require the Contractor to confirm the source of the Material and the haul distance to the Work site. The Engineer reserves the right to limit the distance the Contractor hauls Material to those sites identified in the Contractor's

Proposal. Should the Contractor elect to haul Materials from other than the approved sites, all additional costs shall be borne by the Contractor.

51.2.14.5 Examination of Work

The Contractor, upon receipt of an order to perform the Work, shall review the instructions given and satisfy himself that the quantities are reasonable to complete the Work, the warranty requirements are reasonable for work site conditions and the Work can be completed in the time allocated. The Contractor shall notify the Engineer of any conditions which will alter the authorized quantities.

51.2.14.6 Scheduling of Work

The Contractor will be given the flexibility to schedule the assigned Work to achieve efficiency in his operations. The Contractor shall comply with the specified completion dates for each Work activity.

The Contractor shall provide a detailed schedule of his Work plan to the Engineer every 2 weeks or such other period as is agreed upon by the Contractor and the Engineer.

The Engineer will inform the Contractor of any requirement for inspecting the Work while it is in progress. When an in-progress inspection is required, the Contractor shall provide the Engineer with a minimum of 2 working days advance notice of the start of the Work.

51.2.14.7 Inspection by the Department

Upon notification that the Work has been completed, the Engineer may inspect the Work to confirm that it has been performed in accordance with the Specifications and/or to verify bid item quantities submitted by the Contractor.

The Engineer, subject to the availability of the Contractor's staff, may issue a Work Order to the Contractor to provide labour to assist in the verification of the completed Work. The Work Order will specify the response time and the duration of the Work. Payment will be made in accordance with Section 51.2.28, Extra Work.

51.2.14.8 Measurement and Verification of Quantities for Payment

The Contractor is responsible for measuring quantities of Work for payment at his cost for the purpose of submitting crew and work sheets.

51.2.14.8.1 Establishing Quantities by the Engineer

The Engineer will determine the method of establishing the quantities of Work. The Engineer may use, but is not limited to, one of the following methods to establish final quantities for payment:

- (a) Quantities measured in advance of performing the required Work;
- (b) Agreement with the Contractor on the quantities or hours required to complete the Work, reached in advance of performing the Work;
- (c) Require the Contractor to provide a time-stamped photo or videotape or other means of illustrating Work in progress or Work completed;
- (d) Measure completed Work by the Engineer; or

(e) Other methods agreed to by both parties.

51.2.14.8.2 Measurement by the Contractor

In special circumstances, the Contractor may be required to accurately measure and calculate the quantities of work and provide details to the Department for verification.

The requirement for additional verification measurements and calculations by the Contractor, including the method to be used and the degree of accuracy required, will be indicated on the Work Order. Payment for measuring and calculating quantities of work will be made in accordance with Section 51.2.28, Extra Work.

51.2.14.9 Quantity Variations

The Contractor shall monitor and track the quantities and hours as the Work is being performed. Prior to exceeding specified quantities or hours of work, the Contractor shall obtain approval from the Engineer. The Engineer will determine if the Work is to continue and the original quantities exceeded.

The Department will not pay for Work in excess of that specified in the Work Order unless the Contractor has obtained prior authorization from the Engineer.

51.2.14.10 Contractor Certification of Work in Progress or Completed Work

When the Contractor has completed the Work or when the Engineer has authorized Work of extended duration, the Contractor shall inform the Engineer by submitting documentation which certifies that the Work has been performed or completed in accordance with the terms and conditions of the Contract. The Engineer will specify the form the Contractor's certification will take for Work in progress or completed Work however, typically the form required will be the electronic work sheet and/or invoice.

The Contractor shall, upon request from the Engineer, provide supporting evidence that the Work has been performed.

51.2.14.11 Compensation for Accelerated Scheduling of the Work

When the Work Order specifies a "reduced" completion time, the Engineer will also pay the Contractor the Reduced Completion Time Premium specified under the relevant bid item. This premium payment will only be made if the Contractor complies with the reduced completion time ordered. Premium payments shall apply only once for all bid items related to the specified Work on the Work Order, and will be made at the rate for the first eligible work performed.

Response time is the time within which the Contractor shall have mobilized the necessary work force and be in route to the work site. When Work Orders require a "reduced" response time, the Engineer will pay the Contractor the Reduced Response Time Premium specified under the relevant bid item. This premium payment will only be made if the Contractor complies with the reduced response time ordered. Premium payments shall apply only once for all bid items related to the specified Work on the Work Order, and will be made at the rate for the first eligible work performed.

51.2.14.12 Adjustment to Work Order Completion Date

A Work Order will be deemed completed when the Work has been completed in a manner satisfactory to the Engineer, and the completed crew sheet has been submitted to the Engineer for approval.

When completion of the Work is delayed through no fault of the Contractor, the Contractor shall provide the Engineer with written notice of the existence of circumstances over which he has no control and which affect completion of the Work. The Engineer may, at his discretion, extend the completion date specified in the Work Order provided that in the Engineer's opinion the Contractor has diligently proceeded with the Work and has applied all reasonable means and methods to complete it.

51.2.14.13 Cancellation of a Work Order

The Engineer reserves the right to cancel a Work Order at any time. Payment will be made to the Contractor for acceptable Work performed prior to cancellation and may include additional compensation to the Contractor for any additional substantiated costs as a result of the cancellation while the Work was in progress. The type of situation that may result in cancellation of a Work Order includes but is not limited to the following:

- (a) The scope and magnitude of the Work has changed excessively.
- (b) Department fiscal year-end of March 31 has been reached.
- (c) The term of the Contract has expired.

51.2.15 PAYMENT AND HOLDBACK

51.2.15.1 Payment

The payment made to the Contractor in accordance with the Contract shall constitute full compensation for the Work completed and in place, including the furnishing of all Material, tools, machinery, equipment, labour and incidentals necessary to complete the Work as well as any and all expenses incurred by reason of any cause except as otherwise provided in this document.

Payment for travel time to and from the work site, is considered incidental to the Work, except as otherwise provided in the Technical Specifications.

Payment will be based on the quantities indicated on crew sheets submitted by the Contractor to the Department following completion of the Work. The crew sheets shall be in an electronic format approved by the Department and shall be submitted to the Engineer on a weekly basis. The Department will determine payment for Work performed in accordance with Contract requirements. Payment may include portions of Work completed on Work Orders of extended duration.

The Department will prepare monthly progress estimates summarizing the Work completed during that month and shall make the necessary payment within 30 days.

51.2.15.2 Holdback

The Department will not normally retain holdback from payment made for completed Work. However, the Department reserves the right to retain holdback in the total amount of any outstanding third-party claims, deficiencies in the Work, overpayment, or any other items identified.

51.2.15.3 Release of Holdback

When a holdback has been taken, the Department will release the holdback to the Contractor provided that the reasons for retaining the holdback are no longer applicable and the following have occurred:

- (a) The outstanding third-party claims filed with the Department have been removed.
- (b) There is no recovery required from the Contractor on any account, including overpayment, or penalty.
- (c) The Department has received the Workers' Compensation Board clearance and a statutory declaration, satisfactory to the Engineer, indicating "No Exceptions."

If the Contractor fails to meet his obligations with respect to any of these items, the Department may use holdback funds to rectify the deficiency, in accordance with the terms and conditions of the Contract and the Public Works Act.

51.2.16 MOBILIZATION AND DEMOBILIZATION

The Contractor shall at his own cost have his manpower and equipment mobilized and ready to commence Work on the date and time specified in the Contract for Time of Commencement.

Upon expiration of the Contract, the Contractor shall, at his own expense, demobilize his manpower and equipment within 7 calendar days of the Contract termination date.

51.2.17 INDIRECT OPERATING COSTS

The Indirect Operating Costs bid item is included in the Unit Price Schedule to cover Contractor's costs that are not specifically covered in the Technical Specifications. Such costs shall include but are not limited to the cost of direct and indirect supervision, overhead, facilities, financing, security, attending meetings, and obtaining necessary permits and certifications.

Payment will be made in the amount bid per month, regardless of the volume of Work performed.

51.2.18 GOODS AND SERVICES TAX

This is to certify that the property and/or services ordered/purchased hereby are being purchased by Alberta Transportation which is part of the Alberta Crown or is listed as a tax free Alberta Government agency, and are therefore not subject to the Goods and Services Tax.

This exemption applies to all payments made by the Department to the Contractor under this Contract. The unit prices bid shall exclude any allowance for the goods and services tax.

51.2.19 PAYMENT FOR LABOUR AND MATERIAL

The Contractor shall promptly pay or ensure that prompt payment is made for all labour, services, equipment, supplies and Material used for, on or about the Work, including any sum due from the Contractor, any subcontractor or any person, for the labour or services of any subcontractor, foreman, worker or other person, or for the use of plants, machinery or camp supplies. In the event of failure by the Contractor at any time to do so, or if the Department has reason to believe that such payments will not be made promptly, the Department may retain, out of any money due on any account to the Contractor from the Department, such amount as the Engineer

may deem sufficient to satisfy the same, giving the Contractor notice of such claims, and requesting him to settle them directly and withholding the balance until the claims are satisfied. The Department may pay directly to any claimant such amount as the Engineer determines is owing, paying the Contractor the balance.

When the liabilities of the Contractor under the Contract exceed the money owed to him on any account by the Department, the Contractor or the Surety shall pay all such claims as are certified by the Engineer to be correct.

Upon request and in a form satisfactory to the Department, the Contractor shall provide the Engineer with a statutory declaration, certifying that all payments have been made or providing details of accounts which are outstanding in excess of 30 calendar days.

51.2.20 INNOVATION

This section applies to all innovations initiated and developed by the Contractor and which are identified as such by the Contractor at the time of their submission to the Engineer.

The Contractor may submit to the Engineer in writing, innovations for modifying the Plans, Specifications or other requirements of the Contract for the purpose of reducing the total cost of the Work without reducing design capacity or quality of the finished product or process. The Engineer is not obligated to approve an innovation. If accepted by the Engineer, net savings to the Department resulting from the innovation will be shared by the Contractor and the Department on a 65% Contractor and 35% Department ratio for the remainder of the Contract term.

The following information shall be provided with each innovative proposal:

- (a) a statement that this proposal is submitted as an innovation;
- (b) a description of the difference between the existing Contract requirements and the proposed innovative change;
- (c) a statement concerning the basis for the innovation and benefits to the Department, together with an itemization of the Contract items and requirements affected by the innovation;
- (d) separate detailed cost estimates for both the existing Contract requirements and the proposed innovative change;
- (e) an itemization of plan details, design standards or specifications to be changed if the innovation is adopted;
- (f) a statement of the date by which approval must be issued to obtain the total cost reduction of the innovation during the remainder of the Contract; and
- (g) if the Contractor has other contracts with the Department, a statement to which contracts the innovation will apply.

The Department will establish a review committee for processing the innovation in whole or in part. The innovation shall be submitted to the Department through the office of the local Regional Director who will forward the submission to the review committee. The Department will not be liable to the Contractor for failure to accept or act upon any innovation submitted pursuant to this provision, nor for any delays to the Work attributable to any such proposal. Until a proposal is adopted by the Department, the Contractor shall remain bound by the terms

and conditions of the Contract. When an innovation has not been adopted by the date upon which the Contractor's proposal specifies that a decision should be made, or such other date as the Contractor may subsequently have specified in writing, evaluation of the proposal shall be terminated unless the Contractor extends the approval date.

If an innovation is accepted by the Department, the Contract will be modified to indicate the estimated net savings agreed upon, any adjustment in the unit prices and that the net savings be divided between the Contractor and the Department at a 65% Contractor and 35% Department ratio. The Contractor shall absorb all costs incurred in preparing an innovation for submission to the Engineer. Costs incurred by the Department in evaluating, approving or rejecting, and administering an innovation will be borne by the Department. The Department reserves the right to include any term and condition it deems appropriate for implementation of the innovation. The Contractor's sixty five percent share of the net savings shall constitute full compensation for affecting all changes pursuant to the innovation.

The actual cost of the revised Work, will be paid on current progress estimates. In addition, the Contractor will be paid on a lump sum basis by a separate item, one-half of the difference (net savings) between the cost of the original Contract Work and the final cost of the revised Work in the following manner:

- One-half of the Contractor's share, which is equal to 32.5% of the estimated net savings for a 1-year period commencing on the date on which the innovation was approved, will be paid to the Contractor upon approval of the innovation.
- C The remainder of the first year's savings due the Contractor will be paid when that Work for the first year is completed and will be determined from actual quantities completed.

In subsequent Contract years, the Contractor will be paid his yearly share of the savings via an adjusted unit price to reflect the shared cost savings resulting from the new process.

If the Contractor submits an innovation essentially the same as one approved for another Department contract or if the Department wishes to adopt an innovation being used on another Department contract, any required change to the Contract shall be in accordance with Section 51.2.27, Changes in the Work.

All benefits accruing to the Contractor as a result of an innovation, will cease upon termination of the Contract.

The Department reserves the right to adopt an innovation for general use in contracts administered by the Department when it determines that the innovation is suitable for application to other contracts without obligation or compensation of any kind to the Contractor who developed the innovation.

51.2.21 TEMPORARY SUSPENSION OF WORK

51.2.21.1 Engineer's Authority to Suspend Work

The Engineer shall have the authority to suspend the Work, in whole or in part, for such a period as he deems necessary, due to conditions that he considers unfavourable for the execution of the Work or due to the failure of the Contractor to comply with any provision of the Contract.

Upon receipt of the Engineer's notice to suspend the Work, the Contractor shall immediately suspend those operations as are specified. No such suspension shall vitiate or void the Contract or any part thereof or any security or obligation for the performance thereof or relieve the Contractor of any other responsibility under the terms and conditions of the Contract, including the preservation and care of the work site and Material.

During a period of suspension the Contractor shall not remove without the consent of the Engineer any part of the Material or equipment previously provided for the Contract.

Except in situations of imminent danger, the Contractor shall not suspend the Work without the consent of the Engineer.

51.2.21.2 No Compensation

Subject to Section 51.2.21.3, Compensation for Standby, the Contractor shall not have any claim for compensation or damages against the Department for any suspension, stoppage, hindrance or delay from any cause.

No compensation will be paid for a suspension, stoppage, hindrance or delay of the Work due to the fault of the Contractor including, without limiting the generality of the foregoing, delays by strikes by the Contractor's or subcontractors's employees.

51.2.21.3 Compensation For Standby

When the Work or any part of it is suspended by order of the Engineer for a reason that is not related to the Contractor's performance of the Work, the Department may consider a claim for payment of standby costs which may be incurred by the Contractor. When such costs are claimed, they shall be legitimate, reasonable and supported by proper documentation as required by the Engineer, and submitted in accordance with Section 51.2.60, Claims and Dispute Resolution.

The Department will not pay for standby costs related to any of the following:

- C Weather or other natural conditions:
- C Failure by the Contractor to carry out orders given by the Engineer;
- C Any failure by the Contractor to comply with a requirement or provision of the Contract;
- Any failure by the Contractor to provide for the safety of the public or his or the Department's work force;
- Any failure by the Contractor to protect the property of the Department or others;
- C Any delay incurred in remedying defects or failures in the Work;
- C Any change in the quantity of any item of Work from the estimated quantity shown in the Work Order;
- Any equipment or work force which was not actually present and actively working on the Work immediately prior to the suspension of the Work;
- C Any haul trucks or their drivers used on the Work;
- C Any suspension of the Work that is less than 4 hours in duration; and
- C Testing of Material or Work for compliance with Specifications and Plans.

When a claim for standby is considered by the Engineer, direct costs which, in the opinion of the Engineer, could not have been avoided by the judicious handling of forces, equipment or plant will be paid to the Contractor in an amount that the Engineer deems fair and reasonable. No item of cost, other than idle time rate of equipment and necessary payments for idle time of workers, will be considered.

Compensation for standby time of workers and equipment will be determined by the Engineer in accordance with the following criteria:

- (a) the time paid will not exceed 8 hours in any day;
- (b) overhead and profit will be excluded; and
- (c) The idle time equipment rates will be 50% of the hourly rates identified in the Alberta Roadbuilders and Heavy Construction Association Equipment Rental Rates and Membership Roster current at the time of the temporary suspension or at a rate agreed to by the Engineer and the Contractor.

Upon termination of the suspension by the Engineer, the Contractor shall resume operations no later than the commencement of the next working day.

51.2.22 HINDRANCES AND DELAYS

51.2.22.1 Utilities

The Contractor shall advise the Engineer in an acceptable format of the requirement for relocation of utilities. Upon receipt of notification from the Contractor, the Engineer will arrange with the utility owners or operators to adjust their utility installations as necessary, within or adjacent to the Work. All such adjustments will be made by the owners or operators, except as otherwise provided for in the Special Provisions or as specifically noted on the Plans. The adjustment will be made at no cost to the Contractor.

No additional compensation will be paid by the Department for any delay, inconvenience or damage sustained by the Contractor which is caused by the existence of or adjustment to the utilities. However, if the Work cannot be done in the ordered completion time, an extension will be granted.

The Contractor shall consider in his scheduling those items of the Work essential to the adjustment of the utilities, and the Work shall be scheduled and performed at the time required to accommodate these adjustments. No additional compensation beyond that specified on the Work Order will be made by the Engineer.

51.2.22.2 Work by Others

When separate Department contracts or agreements are in effect on or near the Work, the Contractor shall conduct the Work so as to minimize interference with progress or completion of work being performed by other contractors. The Contractor shall cooperate with others working on or near the Work and, in the case of dispute as to procedure or scheduling of the Work, the Engineer will make the final decision, and it shall be binding on the Contractor.

The Contractor shall have no claim against the Department for any inconvenience, delay or loss arising from the presence and operations of others on or near the Work.

51.2.23 **DEFAULT**

51.2.23.1 Causes And Notice

A Contractor who:

- (a) fails to begin the Work under the Contract within the time specified;
- (b) discontinues the prosecution of the Work;
- (c) fails to furnish security;
- (d) fails to provide the written undertaking required by Section 51.2.23.5, Emergency Winter Default Procedure:
- (e) fails to furnish insurance coverage; or
- (f) loses accreditation in a recognized safety program;

shall be deemed to be in default of the Contract.

In addition, the Department will use a progressive demerit point system to determine when the Contractor is deemed to be in default of the Contract and a financial penalty system as outlined in Section 51.2.23.4, Penalties for Unsatisfactory Performance.

The Contractor shall be deemed to be in default and the Contract will be terminated when:

there are a total of 5 or more demerit points in force at any point in time in any one Contract Maintenance Area; or

for a Contract covering two Contract Maintenance Areas, there are a total of 7 or more demerit points in force at any point in time; or

for a Contract covering three Contract Maintenance Areas, there are a total of 9 or more demerit points in force at any point in time; or

for a Contract covering four Contract Maintenance Areas, there are a total of 11 or more demerit points in force at any point in time; or

for a Contract covering five Contract Maintenance Areas, there are a total of 13 or more demerit points in force at any point in time; or

for a Contract covering six Contract Maintenance Areas, there are a total of 15 or more demerit points in force at any point in time; or

for a Contract covering seven Contract Maintenance Areas, there are a total of 17 or more demerit points in force at any point in time.

An assessed demerit point will be removed by the Engineer and shall no longer be in force when one calendar year has passed from the date of issuance of the demerit point.

The Engineer will assess demerit points against a Contractor for the following causes and in the following amounts:

- (a) 1 demerit point to a Contractor who:
 - (i) fails to prosecute the Work with sufficient skilled workers and equipment or with sufficient Material to ensure the prompt completion of the Work within the maximum allotted time on more than 20% of the total value of the Work that was scheduled for completion in any 3 consecutive calendar month period. In calculation of the value of the work, indirect costs will be excluded.
 - (ii) fails to promptly pay his creditors for labour, services, equipment, supplies and materials used or reasonably required for use in the Work within 90 days of receipt of a valid invoice;
 - (iii) fails to repair any defect or failure discovered in the Work within the warranty period or within the period agreed upon between the Engineer and the Contractor; or
 - (iv) in the opinion of the Engineer, performs the Work unsuitably.
- (b) 2 demerit points to a Contractor who:
 - (i) fails to have available, a staff complement of trained and experienced and properly licensed snowplow operators, as set out by the Contractor in his Proposal, unless otherwise approved by the Engineer;
 - (ii) fails to maintain the minimum number of snow removal equipment on standby as set out by the Contractor in his Proposal, unless otherwise approved by the Engineer;
 - (iii) provides deliberate false documentation respecting any component of the Work;
 - (iv) neglects or refuses to remove Material or to redo Work rejected as defective and unsuitable; or
 - (v) compromises the safety of the travelling public.
 - (vi) fails to comply with the Lease Agreement or Environmental Management Plan covering the use of Department maintenance facilities or sites.

51.2.23.2 Failure to Remedy

Should the Contractor fail to proceed diligently to remedy or rectify any of the causes giving rise to a demerit point within 6 days of receipt of the notice from the Engineer, the Contractor may be deemed to be in default and the Engineer may, without violating the Contract, take the prosecution of the Work out of the hands of the Contractor and:

- (a) appropriate or use any Material at the work site to complete the Work;
- (b) enter into an agreement with another person for the completion of the Work; or
- (c) use any other methods that in the Engineer's opinion may be required to complete the Work.

The Engineer may then deduct the costs incurred from any money due or to become due to the Contractor.

51.2.23.3 Demerit Point Assessment and Appeal Process

The assessing of Demerit Points will occur on the recommendation of the Operations Manager, and will be assigned by the Regional Director.

Prior to assessing demerit points, the Regional Director will meet with the Contractor and will review and discuss any objections, or mitigating circumstances presented by the Contractor.

Should the Contractor wish to appeal the ruling of the Regional Director regarding the assessment of demerit point(s), he may appeal to the Engineer. Such appeal shall fully explain all grounds for the appeal and shall be submitted in writing within seven days of receipt of the Regional Director's assessment of points. The Engineer will render a decision within seven days of receiving the appeal.

Should the Engineer reject the appeal, the Contractor may have the issue ultimately resolved through the dispute resolution process contained in the document entitled "Dispute Resolution Process for Alberta Construction Contracts." In order to invoke such process, the Contractor must, within 14 days of receiving the Engineer's decision regarding the appeal, issue the Engineer with a written Notice of Dispute.

51.2.23.4 Penalties for Unsatisfactory Performance

A penalty of \$5,000 will be assessed against the Contractor upon the issuance of one demerit point providing the Contractor has no other demerit points in force. If the Contractor has any demerit points in force, the penalty for each additional point will be \$10,000. If the Contractor receives two demerit points at the same time and no prior demerit points are in force, then the financial penalty assessed will be \$10,000 (\$5,000 for each point). If however, the Contractor is assessed two demerit points and there is already one demerit point in force, then the financial penalty assessed would be \$20,000 (\$10,000 for each point). The penalty will be deducted from funds due to the Contractor in the monthly estimate following the issuance of the demerit point.

51.2.23.5 Emergency Winter Default Procedure

The safe accommodation of the travelling public during adverse winter conditions is viewed by the Department as a critical component of the Contract. To ensure the continuity of operations in the event of Contractor default in winter, the following procedure will be followed:

- (a) Prior to signing the Contract, the Contractor will identify to the Department all parties who have an interest in the snow removal equipment, shops and material storage sites and update this list as required.
- (b) The Contractor shall provide to the Department a written undertaking from each party or subcontractor or subcontractor's interested party which will allow the Department to continue winter operations, permitting the Department to access shops and material storage sites to remove salt and sand material and to use the Contractor's equipment and labour, for whatever duration is reasonably necessary to allow appropriate alternative arrangements to be made. Such written undertaking shall be renewed on an annual basis.
- (c) During this period, the Department will make payment at the appropriate unit prices to the party or parties or subcontractor(s) having an interest in the equipment, salt and sand material removed, and will negotiate with the parties, payment for shops rental and material storage sites rental for the facilities used.

- (d) The Contractor shall not remove any snow removal equipment during winter without permission of the Engineer.
- (e) The Contractor shall furnish the Department with a list of addresses and phone numbers for all of his employees and subcontractors involved in winter maintenance activities.

51.2.24 ANNULMENT WITHOUT FAULT OF CONTRACTOR

The Minister reserves the right to annul the Contract at any time upon giving at least 15 days notice in writing, to the Contractor, in which event the Contractor shall cease Work and shall be entitled to payment under the terms and conditions of the Contract for the Work done by him up to the time of the annulment.

The Minister will reimburse the Contractor for those costs, verified by the Minister, that are directly chargeable to that portion of the Contract not performed by reason of annulment and which he deems justifiable.

51.2.25 ASSIGNMENT AND SUBCONTRACTING

The Contractor shall not assign the Contract or any payment or other benefit under the Contract without written permission of the Engineer.

The Contractor shall not subcontract the whole of the Work to be performed by the Contractor under the Contract. The Contractor shall not subcontract any part of the Work associated with Snow Removal and Ice Control where the value of that Work exceeds \$25,000, nor shall the Contractor subcontract any part of the Work, other than Snow Removal and Ice Control, where the value of that Work exceeds \$100,000, without prior written consent of the Engineer, unless such subcontract is identified in the Proposal and accepted by the Department. Both competency and the proposed subcontractor's existing work load with the Department will be considered when evaluating requests for subcontractor approval.

The Contractor shall not subcontract any part of the Work to a contractor of a separate Department Highway Maintenance Contract, where the value of that Work exceeds 10% of the annual Contract value of this Contract.

The Engineer reserves the right to reject any subcontract he considers unsatisfactory. No subcontract, even though duly consented to, shall exonerate the Contractor from liability under the Contract for the due performance of the Work. The Contractor shall be responsible for all acts, defaults, neglects and delays of any subcontractor and his agents and employees to the same extent as if no subcontract or assignment had been entered into.

The Contractor shall ensure to his satisfaction that any subcontractors/owner-operators are able to comply with all health, safety, and environmental requirements before commencing Work. Once the subcontractor or owner operator have commenced work, the Contractor shall periodically monitor their activities to ensure compliance.

51.2.26 CHANGES TO WORK FORCE AND/OR EQUIPMENT

Prior to making any major changes in equipment or personnel, the Contractor shall demonstrate to the Engineer that the requirements of the Contract, the requirements of the Contractor's Proposal, and the requirements of any subsequent authorized changes can be met.

51.2.27 CHANGES IN THE WORK

As new technology is developed or as circumstances and conditions change, the Engineer, without invalidating the Contract, may make changes to the Contract and may alter, add to, or deduct from the Work. The Contractor shall proceed with the Work as changed, and the Work shall be executed under the provisions of the Contract. No change shall be undertaken by the Contractor, without written order of the Engineer, except in an emergency

endangering life or property, and no claims for additional compensation shall be valid unless the change was so ordered.

If, in the opinion of the Engineer, such changes affect the cost of conducting operations, the value of the change to the Contract and the method of determining such value shall be decided by the Engineer. The Engineer will use one or more of the following methods in deciding such value:

- (a) existing unit prices or combinations of existing unit prices;
- (b) unit prices submitted by the Contractor and accepted by the Engineer;
- (c) by lump sum submitted by the Contractor and accepted by the Engineer; or
- (d) on an Extra Work basis as specified in Section 51.2.28, Extra Work.

If the Contractor and the Engineer cannot agree on the unit prices to be used or on the lump sum, the Engineer will decide and certify the value of the change in the Contract amount that is, in his opinion, fair and reasonable to both parties. If the Contractor disagrees with the Engineer's decision, the Contractor may submit a Notice of Claim to the Engineer in accordance with the process specified in Section 51.2.60, Claims and Dispute Resolution.

51.2.28 EXTRA WORK

51.2.28.1 General

Extra Work shall include Work not specified in the Contract or of a class not included in the Contract.

When the Engineer issues a Work Order that includes Extra Work, the Engineer will either negotiate with the Contractor to establish a new unit price for the Extra Work, a lump sum price for the Extra Work or pre-authorize all labour, equipment and material, necessary to perform the Work, and it will be paid for as detailed in the remainder of Section 51.2.28, Extra Work.

51.2.28.2 Labour

For all labour directly involved in the Extra Work, the Contractor will be paid the actual cost of labour including the wages at the scale being paid on the Contract Work and payments made to or on behalf of the workers for holiday pay, Workers' Compensation Board assessment, insurance and pension payments, plus 20% of the total of the Extra Work labour account.

51.2.28.3 Equipment

For each piece of equipment used directly in the Extra Work, including trucks but excluding small tools, the Contractor shall receive payment:

- (a) at the rates shown in the Equipment Rental Rates Guide for Equipment which forms part of the Contract; or
- (b) for third-party equipment rental accounts, at the rates invoiced by the third party, provided these rates were approved by the Engineer prior to the commencement of the Extra Work; or
- (c) at the agreed price or prices as stated in the Engineer's Extra Work Order, to which no allowance will

be added.

51.2.28.4 Equipment Rental Rates Guide for Equipment

The Equipment Rental Rates Guide for Equipment is the version of the Alberta Roadbuilders and Heavy Construction Association Equipment Rental Rates and Membership Roster current at the time of issuing the Extra Work.

51.2.28.5 Purchased Material

For all Material purchased by the Contractor solely to perform or incorporate into the Extra Work, as required by the Engineer, the Contractor will receive payment:

- at the agreed price as stated in the Engineer's Extra Work Order, to which no allowance will be added;
 or
- (b) if there is no agreed price, at the amount shown on the supplier's invoices, to which will be added 15%.

Material purchased for the Extra Work, that is not used in the performance of the Extra Work as a result of the direction of the Engineer, shall at the Engineer's discretion:

- (a) become the property of the Department and shall be delivered by the Contractor to a location designated by the Engineer, or
- (b) be retained by the Contractor, and an agreed value shall be deducted from the Extra Work account.

51.2.28.6 Supervision

For supervision required directly on the Extra Work operation, the Contractor will be paid the actual cost of superintendent's or foreman's wages at the scale being paid on the Contract Work, including statutory payments made to them or on their behalf for holiday pay, Worker's Compensation Board, insurance and pension payments, plus 20% of the total of the account.

If the supervisory personnel are also engaged in Work other than the Extra Work, only that portion attributable to the Extra Work will be paid for by the Department.

51.2.28.7 Transportation of Workers and Equipment

Vehicles used in the transportation of workers and small tools required exclusively for the Extra Work shall be considered as equipment and will be paid for as provided in Section 51.2.28.3, Equipment, for the period for which the vehicles are required.

The transportation of heavy construction equipment hauled or otherwise moved to the project exclusively for the Extra Work, or when necessary from separate points on the job to the site of the Extra Work and upon the completion of the Extra Work from the project, will be paid for at the applicable rates in accordance with Section 51.2.28.3, Equipment, provided that the means of transporting the equipment and haul distances have been previously approved by the Engineer.

The Contractor, prior to mobilizing equipment for Extra Work, shall confirm the source of the equipment and the haul distance to the Work site with the Engineer. The Contractor will also identify the site for demobilizing the

equipment and the haul distance to that site.

Payment for demobilizing equipment from the site of the Extra Work to another Department job site, will be made provided that transporting the equipment to the new site is not paid for under another item.

51.2.28.8 Payment for Extra Work

The compensation provided in this section shall be payment in full for all charges, including overhead and profit, and for the use of small tools for which no rental is allowed.

The Contractor shall present his claim for payment for Extra Work as part of the regular payment process specified in Section 51.2.15, supported by proper vouchers giving details as to dates, quantities, rates, third-party invoices and any other supporting documentation that the Engineer requires.

51.2.29 ENGINEER SOLE JUDGE OF WORK

The Engineer shall be the sole judge of the Work and Material in respect of both quality and quantity, and his decision on all questions in dispute in this regard, or as to the meaning or intention of the Contract and as to the meaning or interpretation of the Plans and Specifications shall be final. No Work under the Contract shall be deemed to have been performed nor Material or thing provided so as to entitle the Contractor to payment, unless and until the Engineer is satisfied, as evidenced by his estimate in writing, which estimate shall be a condition precedent to the right of the Contractor to be paid.

51.2.30 AUTHORITY OF THE ENGINEER

51.2.30.1 Orders of the Engineer

All orders, directions and instructions given at any time by the Engineer with respect to the Work or the conduct thereof shall be promptly and efficiently performed and complied with by the Contractor to the satisfaction of the Engineer.

51.2.30.2 Work Methods and Equipment

Equipment and methods used shall be adequate to perform the Work. The Engineer reserves the right to order the discontinuation of use of any equipment or method which, in his opinion, fails or will fail to produce satisfactory results.

51.2.30.3 Defective Work

When the Engineer identifies any defective Work, whether the result of poor workmanship, damage through the Contractor's carelessness or use of defective Material supplied by the Contractor, the Contractor shall, at his expense, promptly remove, replace or otherwise remedy the defective Work to conform to the Specifications in a manner acceptable to the Engineer.

Should the Contractor fail to comply promptly with any order made under this Section, the Engineer may cause the defective Work or material to be remedied, removed or replaced and deduct the costs incurred from any money due or to become due to the Contractor.

51.2.30.4 Unauthorized Work

Any work done without required notification, or Material supplied by the Contractor which is beyond the lines, grades, or descriptions shown on the Plans and Specifications or established by the Engineer, will be considered as unauthorized and may not be paid for.

Upon order of the Engineer, unauthorized Work or Material shall be remedied, removed or replaced by the Contractor at his expense in a manner acceptable to the Engineer.

Should the Contractor fail to comply promptly with any order made under this Section, the Engineer may cause unauthorized Work or Material to be remedied, removed or replaced, and deduct the costs incurred from any money due or to become due to the Contractor.

51.2.31 AUTHORITY OF THE OPERATIONS MANAGER

The Operations Manager is placed on the Work by the Engineer to manage the Contract on his behalf and keep the Engineer informed on the progress of the Work and the manner in which it is being performed. The Operations Manager has the additional responsibility of ensuring that Department budgetary and conditional targets for the Contract are achieved. To meet these requirements, the Operations Manager is authorized to:

- (a) Identify and authorize the Work to be performed;
- (b) Reject defective Material and Work and prohibit any Work method or procedure that will result in a finished product that fails or will fail to meet the standards required by the Specifications or Plans;
- (c) Give final acceptance of any portion of the Work;
- (d) Inspect all Work done and Material furnished, such inspection to extend to any part of the Work and to the preparation, fabrication or manufacture of the Material to be used;
- (e) Approve new unit prices for undefined Work included in a specific Work Order;
- (f) Approve any Extra Work required;
- (g) Approve the rate for equipment not listed in the Alberta Roadbuilders and Heavy Construction Association Equipment Rental Rates and Membership Roster when used on a Work Order for Extra Work:
- (h) Suspend the Work;
- (i) Adjust Work Order completion dates;
- (j) Recommend to the Engineer the assessment of demerit points;
- (k) Approve subcontractors;
- (l) Represent the Engineer at the Operational Planning Meetings and participate in the Executive Management Meetings.
- (m) Judge public safety factors/conditions; and

(n) Suspend Work due to work site hazards.

The Operations Manager is not authorized to extend or make changes to the Contract, or alter or waive provisions of or issue instructions contrary to the Specifications or Plans.

The Operations Manager will not act as foreman or superintendent for the Contractor.

The Operations Manager will exercise such additional authority as may from time to time be delegated by the Engineer.

51.2.32 AUTHORITY OF THE OPERATIONS ENGINEER

The Operations Engineer assists the Operations Manager in the day-to-day administration and delivery of the highway maintenance program within a district or region.

51.2.33 AUTHORITY OF THE CONTRACT INSPECTOR

The Contract Inspector is placed on the Work by the Engineer to assist the Operations Manager in identifying the Work to be performed and to inspect and accept the Work.

51.2.34 AUTHORITY OF A FIELD SERVICES TECHNOLOGIST

The Field Services Technologist is placed on the Work by the Engineer to assist the Operations Manager and the Contract Inspector in identifying the Work to be performed and to inspect and accept the Work.

51.2.35 AUTHORITY OF THE REGIONAL SAFETY OFFICER

In cases of recognized imminent danger, the Department's Regional Safety Officer has the authority to suspend the Work.

51.2.36 CONTRACTOR'S PROJECT SUPERVISOR

The Contractor shall maintain a competent project supervisor on the Work who shall be present on the site of the Work during its progress. The project supervisor shall be considered the representative of the Contractor, shall be fully authorized to act for him in all aspects of the Work, including the work of all subcontractors, and shall receive such communications as may be given by the Engineer.

51.2.37 STAKES, MARKS AND ENGINEERING TESTS

Stakes or marks may be set by the Engineer to define the location, alignment, elevation, and grade required for the Work. The Contractor shall give the Engineer ample notice of the time and place where the stakes or marks will be needed. The Contractor shall protect, and shall not remove or destroy or permit to be removed or destroyed, the stakes or marks placed on or about the Work by the Engineer.

The Contractor shall satisfy himself before commencing the Work as to the correctness and meaning of all stakes and marks.

When the Engineer provides to the Contractor summaries of engineering test results taken on or about the Work by the Engineer, the Contractor shall satisfy himself as to the meaning and correctness of the engineering test results.

The Contractor shall not take advantage of any apparent error or omission in the Plans, Specifications, stakes, marks, engineering tests, or other measurements done or provided by the Engineer, but shall immediately bring such apparent error or omission to the attention of the Engineer. The Engineer will make corrections and interpretations as may be necessary for the fulfilment of the Plans and Specifications.

The Engineer will consider claims for payment of the Contractor's documented extra costs which have resulted from incorrect stakes, marks or engineering tests that neither the Contractor nor the Engineer has recognized in time to prevent the occurrence of such extra costs or that have been drawn to the attention of the Engineer by the Contractor but have not been corrected in a reasonable period of time. Such claims shall be made in accordance with the specified procedures for compensation adjustment.

51.2.38 VOLUNTARY "PARTNERING"

It is the Department's intention to encourage the foundation of a cohesive relationship between the Contractor and its principal subcontractors and suppliers. The working relationship will be structured to draw on the strengths of each organization to identify and achieve common goals. The objectives are effective and efficient Contract performance and completion of the Work within budget, within the specified time, and in accordance with the Plans and Specifications.

The working relationship, to be called "Partnering", will be bilateral in make-up, and participation will be totally voluntary. The Department considers Partnering a critical and key process to the success of the maintenance outsourcing initiative. Any cost associated with implementing this process will be agreed to by both parties and will be shared equally. Each party will be responsible for its own staff's wages during partnering workshop sessions.

The Contractor shall provide notice to the Engineer within 7 days of receipt of the Contract, signed by the Engineer, as to his intentions regarding Partnering.

The establishment of a Partnering agreement for the Contract will not change the legal relationship of the parties to the Contract nor relieve either party from any of the terms of the Contract.

51.2.39 MOBILE RADIO COMMUNICATIONS SYSTEM

The Department will provide the network portion of a mobile radio communications system through Telus mobility (Tango) free of cost to the Contractor for mobile radios that are required for the highway maintenance operators. This will cover one radio for each snow plow truck (including each spare truck), grader, foreman, and superintendent vehicles and an additional three radios per Contract Maintenance Area. The Contractor will be responsible for providing, at his cost, the mobile radio units and required hardware so that each snow plow truck, grader, superintendent's vehicle and other vehicles required under the Highway Maintenance Work bid item is equipped with a mobile radio unit.

The cost of all telephone access charges as well as the cost of installation, removal and maintenance of the radios are the responsibility of the Contractor.

51.2.40 COMMUNICATIONS

51.2.40.1 General

While communication of any notice, order, direction, consent, offer, or otherwise may be given in any reasonable manner, important communications from the Contractor to the appropriate representative of the Department, or the Department's representative to the Contractor, shall be in writing.

Any important communication required to be given by the Department's representative to the Contractor may be personally delivered to the Contractor or his project supervisor or delivered or mailed to the office of either, and shall be deemed to have been received on the day it was delivered or on the fifth day after it was mailed.

Any important communication required to be given by the Contractor to the Department's appropriate representative may be personally delivered or delivered or mailed to his office and shall be deemed to have been received on the day it was delivered or on the fifth day after it was mailed.

Communication required to be in writing may also be given by facsimile, or any other method agreed to by the parties, and shall be deemed to have been received 24 hours after it was transmitted.

51.2.40.2 Work Order Distribution

The Engineer will normally issue Work Orders to the Contractor in an appropriate electronic mode, by facsimile or hand delivery.

51.2.40.3 Verbal Communications

Any verbal direction given to the Contractor by the Engineer will normally be confirmed later in writing.

51.2.40.4 Communication with Outside Agencies and the Public

51.2.40.4.1 General

The Contractor shall maintain at all times a toll free telephone number that is well publicized throughout the Contract area.

The Contractor, upon receipt of an enquiry related to highway maintenance from other parties, shall note the name, address and telephone number of any such party. The Contractor shall, upon request provide such party with the Operations Manager's address and telephone number. Copies of this information will be provided to the Engineer upon request.

51.2.40.4.2 Emergency Communications

The Contractor shall provide for direct communication for emergency notification on a 24 hour a day, seven day a week basis.

Prior to starting Work on the Contract, the Contractor shall provide the Engineer and the local emergency authorities with telephone numbers of his authorized personnel and the order in which they are to be contacted. The Contractor shall provide the Engineer and local emergency authorities with an updated list as needed to ensure accuracy.

The Engineer will provide the Contractor with a list of Department representatives and the order in which they are to be contacted. The Engineer will update the list as needed to ensure accuracy.

Both the Contractor and the Department will when necessary, provide each other with temporary contact lists to be used during holiday periods. The list will be provided in advance of the holiday period and will specify the time period for which it is to be used.

When contacted by emergency services such as the RCMP, fire departments, or representatives of Disaster Services, concerning an emergency situation, the Contractor shall cooperate with the request and respond in accordance with the procedure indicated in Section 51.2.14.3, Emergency Situations.

51.2.40.4.3 Vehicle Markings

The Contractor shall ensure that the Contractor's name and contact telephone number (in the form of a toll free number) are prominently displayed on the sides of all of his vehicles involved in the Work.

51.2.41 WORK PLANNING

51.2.41.1 Operational Planning Meetings

The Contractor and the Engineer will meet twice monthly, unless mutually agreed otherwise, to discuss and review the following types of issues:

- (a) Work completed in the previous 2 weeks;
- (b) Work the Contractor has planned for the next 2 weeks;
- (c) Work the Department plans to issue within the next 2 weeks;
- (d) Status of Work in progress; and
- (e) Any project, technical, administration or communication problems.

These meetings will be at a location and time agreed to by the Contractor and the Engineer. Meetings may be cancelled by mutual agreement.

There will be no direct payment to the Contractor for participating in the meetings or for providing facilities for the meeting if required.

Minutes of meetings will be taken alternately by each party, with copies distributed to both parties within 5 working days of the meeting.

51.2.41.2 Executive Management Meetings

Senior representatives from both the Department and the Contractor will participate in a management meeting a minimum of twice a year, spring and fall or at such other times as agreed to by both parties. At these meetings, the parties may discuss the following types of issues:

(a) Scope and magnitude of anticipated Work for the next 6 month period;

- (b) The Department's budget and any budgetary constraints on the Work;
- (c) Updates and changes in the Contractor's business plan and financial plan; and
- (d) The Contract management process, with discussions on project performance over the preceding 6 months.

There will be no payment to the Contractor for participating in the meetings and for providing facilities for the meeting if required.

51.2.42 COMPLIANCE WITH LAWS AND REGULATIONS

The Contractor shall, in the performance of the Work, comply with the requirements of the laws in force in the Province of Alberta.

In performing the Work, the Contractor shall comply with all applicable statutes, regulations, by-laws, orders and directives of the respective governmental authorities having jurisdiction, shall obtain any permits, licenses, approvals or consents necessary for the Work or the Materials, and shall pay any tax, levy, fee or other like charge required to be paid in order for the Contractor to perform the Work or for the Minister to use the Materials.

51.2.43 PAYMENT BY WEIGHT

51.2.43.1 Supply of Platform Weigh Scales

When payment by weight is specified, the Engineer will determine whether or not a platform weigh scale is required.

If the Engineer requires the use of a platform weigh scale and a suitable platform or silo weigh scale exists within reasonable proximity of the worksite or haul route, such a weigh scale would normally be used. In these situations the Department will compensate the Contractor for any additional costs incurred in obtaining access to and using the weigh scale. Such costs will be established to the mutual agreement of the Engineer and the Contractor, prior to commencement of the Work.

If the Engineer requires the use of a platform weigh scale and a suitable platform or silo weigh scale does not exist in the area, the Engineer will require the Contractor to provide a platform weigh scale. In these situations, the Department will compensate the Contractor for the supply and use of a platform weigh scale (including a scale house and scaleperson) as Extra Work, in accordance with Section 51.2.28, Extra Work.

If the Engineer does not require the use of a platform weigh scale, the Contractor shall have the option of having measurements made in cubic metres and converted to tonnes using the applicable specified conversion factor or, providing and using any type of scale which is capable of accurately weighing the material. In these situations, if a scale is used, the costs associated with the provision and use of the scale will be considered incidental to the Work and will not be paid for separately.

51.2.43.2 Operating Standards for Platform Weigh Scales

All platform weigh scales used in the Work must be certified by Measurement Canada of the Federal Department of Consumer and Corporate Affairs. The most recent certificate must be displayed on the weigh scale at all times. In the event a certified weigh scale is modified in any way, the Contractor shall ensure the scale is re-certified prior to being used.

Prior to use for work identified in a Work Order and in each instance that a certified weigh scale is moved and set up, the Engineer may require the Contractor to "test" the weigh scale using the procedures established by Measurement Canada. The purpose of this "test" is to ensure the weigh scale conforms with the current standards required by Measurement Canada. The Engineer reserves the right to be in attendance during the entire testing process. When such testing has been ordered the Contractor shall provide the Engineer with reasonable notice of the date and time of the "test".

The cost of testing the weigh scale will be paid as Extra Work in accordance with Section 51.2.28, Extra Work.

51.2.43.3 Verification of the Accuracy of a Weigh Scale

Regardless of the type of weigh scale used the Engineer may, when he deems it necessary, require the Contractor to verify the accuracy of the weigh scale at any time. The Contractor shall provide all equipment, facilities and labour required to verify the accuracy of the weigh scale and shall cooperate fully in the process. Any costs incurred by the Contractor in the verification process will be considered incidental to the Work and will not be paid for separately.

51.2.44 PAYMENT BY VOLUME

When payment by volume is specified, quantities will be based on truck box measurement unless otherwise specified.

When the Work involves the use of existing stockpiles and the quantity of Material is known through prior measurement or calculation, the Engineer may direct that the previous quantity be used for calculation of payments.

51.2.45 RECORDS OPEN FOR INSPECTION

The Contractor's payrolls, time records, invoices, statements, and any other financial documents, data or records which may, in the Engineer's opinion, have any relation to the Contract shall at all times be open for inspection and copying by the Engineer. The Contractor shall assist the Engineer in every possible way in this inspection.

51.2.46 DATA FOR INFRASTRUCTURE MANAGEMENT SYSTEM

When Work is performed on any highway appurtenance, the Contractor shall furnish appurtenance inventory data in a format compatible with the Department's Infrastructure Management System. Generally, the data shall be submitted on forms provided by the Department and shall be provided on but not be limited to, the following appurtenances: signs, lighting facilities, culverts, railway crossings, line painting, pavement messages, guardrail, traffic signals, crash barriers, rumble strips and other miscellaneous items. Where the required information cannot be derived from the Work Order, the Contractor will be required to provide details of the types of Work performed and Materials installed. The Contractor shall provide the required data on the Work performed at no cost to the Department. When the Engineer directs the Contractor to collect data on work performed by others, payment for this additional data collection will be made in accordance with Section 51.2.28, Extra Work.

51.2.47 OWNERSHIP OF DATA

Data and information provided by the Department to the Contractor during the performance of the Work shall remain the property of the Department.

Copyright and ownership of all data collected and provided, and in all drawings prepared by or on behalf of the Contractor during the performance of the Work shall become the sole property of the Department.

51.2.48 CONFIDENTIALITY

The Contractor shall treat data and information concerning the Minister or third parties, or the business activities of them, as confidential and not disclose, copy, use, or permit the use of it at any time or in any way, other than for the purpose of performing this Contract. The Contractor shall not communicate any matters concerning the Work to any member of the public or any news medium, whether the press or radio or television, without the prior written consent of the Engineer.

The Contractor shall limit the disclosure of confidential information to those persons to whom such disclosure is strictly necessary for the performance of the Contract and shall ensure that those persons are bound by obligations of confidentiality equal to those contained in this section.

The Contractor shall not use the name of the Department in whole or in part, in publicity releases, advertising or promotion of the Contractor's business without the Department's written consent.

51.2.49 FREEDOM OF INFORMATION

Any information collected or generated by the Contractor in the course of the performance of the Contract, is the sole property of the public body and is subject to the Freedom of Information and Protection of Privacy Act as well as all other regulatory requirements governing the management of personal information.

The Department when dealing with requests received under the Freedom of Information Protection of Privacy Act, will contact the Contractor prior to releasing any information to a third party under this legislation.

51.2.50 MAINTENANCE FACILITIES

The Department may specify that certain Government-owned sites be used for the Work. Such sites would typically be used for storing small quantities of "salt treated" sand.

Other existing Government-owned buildings and land located within the Contract area boundaries may be made available to the Contractor for lease on a site-by-site basis in accordance with the Special Provisions.

The Contractor is ultimately responsible to provide all maintenance facilities and stockpile sites necessary to meet the requirements of the Contract.

In all maintenance facilities or sites including those provided by the Contractor, the Contractor shall conduct all activities in compliance with the Environmental Protection Act.

51.2.51 EXISTING SAND AND SALT STOCKPILES FROM A PREVIOUS DEPARTMENT CONTRACT

At the commencement of the Contract, surplus sand and salt material from a previous Department Highway Maintenance Contract may exist at stockpile sites to which the Department has access. The Engineer may direct the Contractor to use such material in winter maintenance activities by depleting the material from the existing site(s) or hauling and stockpiling the material (for future use) at site(s) being used by the Contractor for this Contract.

In the event the Engineer directs the Contractor to haul surplus sand and salt from an existing site to the Contractors' site(s), payment for loading, hauling and stockpiling such material will be made as Extra Work.

51.2.52 PRECAUTIONS AS TO FIRE

The Contractor shall, at his own expense, take special precautions to prevent or extinguish uncontrolled fire occurring at or near the work site which is a result of the Contractor's performance of the Work.

51.2.53 OCCUPATIONAL HEALTH AND SAFETY ACT

51.2.53.1 Occupational Health and Safety Act

The Contractor shall familiarize himself, his staff and his subcontractors with the terms of the Occupational Health and Safety Act and Regulations to ensure complete understanding respecting the responsibilities given and compliance required. The Contractor acknowledges that he is and assumes all of the responsibilities and duties of the Prime Contractor as defined by the Occupational Health and Safety Act, and that he shall, as a condition of the Contract, comply with the Occupational Health and Safety Act and the regulations thereunder.

In the event that the work sites of 2 or more Prime Contractors coincide, it shall be the responsibility of the Prime Contractor of this Contract to liaise with all other prime Contractors and jointly develop a health and safety system or process for the affected work site. If 2 or more Prime Contractors of the Department cannot agree on a process or system that addresses the safety concerns of all parties, work at the affected work site shall cease and the matter shall be referred to the Engineer or his representative. Upon review, the Alberta Transportation representative will decide which Prime Contractor shall be responsible for resolving the disputed safety issue. Such decision shall be final and binding upon all Prime Contractors.

The Prime Contractor shall, to the extent required by the Occupational Health and Safety Act and Regulations, establish and maintain a health and safety system or process to ensure compliance with the Act by his employees, agents and subcontractors/owner operators.

51.2.53.2 Work Site Hazards

The Contractor has the responsibility to identify work site hazards and develop operational occupational safety policies, procedures and plans specific to the Work to ensure the safety of every person at the construction site and of the public travelling through the site. When requested by the Engineer, the Contractor shall provide copies of these safety policies, procedures and plans prior to the commencement of the Work, along with verification that they have been submitted to Alberta Human Resources and Employment, Workplace, Health and Safety.

If Alberta Human Resources and Employment, Workplace, Health and Safety conducts a work site inspection that results in orders being issued to the Contractor, the Contractor shall immediately supply copies of these orders to the Contract Inspector.

The Contract Inspector may suspend Work in accordance with Section 51.2.21.1, Engineer's Authority to Suspend Work, in cases of recognized imminent danger or when the Contractor fails to comply with safety orders issued or to rectify previously identified work site hazards. The Contract Inspector's interpretation of a work site hazard will be considered final in all cases.

51.2.53.3 Accident Investigations

In the event of an injury or accident as defined by Occupational Health and Safety regulations, involving employees of the Contractor or his subcontractors, the Contractor shall immediately notify the Engineer and conduct an accident investigation in accordance with Section 13 of the Occupational Health and Safety Act. In addition, the Contractor shall supply a copy of this investigation report to the Engineer within 72 hours of the occurrence.

51.2.53.4 Safety Meetings

Upon Contract award, a pre-commencement meeting will be conducted by the Department. The Contractor shall ensure his project supervisor, the designated safety representative and a representative from each subcontractor named in the Proposal are in attendance.

While the Work is in progress, the Contractor's project supervisor shall conduct safety meetings prior to the commencement of Work on each major Work phase or monthly, whichever occurs first. The Engineer or his designate shall be invited to attend.

51.2.53.5 Scaffolding, Falsework and Temporary Protective Structures

All scaffolding, falsework and temporary protective structures shall be designed for the loads they are required to carry. They shall be engineered and designed for safety in all respects, and shall meet the requirements of the Occupational Health and Safety Act. Drawings shall be stamped by a Professional Engineer, registered or eligible for registration in Alberta. The Contractor shall verify all components are as shown on the drawings before use. A copy of these drawings must be retained on site at all times the system is in use.

51.2.54 POLLUTION CONTROL

The Contractor shall conduct his operation in accordance with all current environmental legislation; federal, provincial and local bylaws and other legislation that may affect the conduct of operations.

The Contractor shall become familiar with the applicable legislation and regulations.

The Contractor shall obtain all necessary approvals and permits and provide copies to the Engineer.

The Contractor shall remove and dispose of any inert solid waste resulting from the production of asphalt concrete pavement, concrete or soil cement to the satisfaction of the Engineer.

The Contractor shall clean up any waste arising from his Work which may cause pollution. Should the Contractor fail to do so, the Engineer may, without notice, arrange the clean-up and restoration of the site at the expense of the Contractor.

51.2.55 CLEAN WORK SITE

During the course of the Work, the Contractor shall keep the work site in a neat and tidy condition satisfactory to the Engineer. The Contractor shall upon the completion of the Work, remove all temporary structures and clear away all rubbish, surplus, and waste material remaining at or near the work site and leave the area in a neat and tidy condition satisfactory to the Engineer. If these requirements are not met, the Engineer may give written notice to the Contractor requiring him to remedy the situation. If the Contractor fails to remedy the situation within 14 days

of receipt of the notice, the Engineer may cause the situation to be remedied and may deduct the cost thereof from any money owing to the Contractor.

51.2.56 DEMURRAGE AND DAMAGES

The Contractor shall be responsible for the prompt loading, unloading and delivery of all Materials for the Work and for any demurrage and storage charges.

51.2.57 SAFEGUARDING UTILITY INSTALLATIONS

51.2.57.1 Contractor's Responsibility

The Contractor is responsible for safeguarding all existing and relocated utility installations during the progress of the Work and is liable for any damage to the utility resulting from performance of the Work.

51.2.57.2 Liaison and Location

The Contractor shall ensure that all utility installations are located and clearly marked on the ground before commencing operations. The Contractor is responsible for contacting all affected utility owners or operators to determine the existence and location of all utility installations, maintaining liaison with the utility owners or operators concerning the adjustment of all utilities and coordinating his operations in compliance with Section 51.2.22, Hindrances and Delays.

51.2.57.3 Precautionary Measures

The Contractor shall take all precautionary measures as may be necessary when working over, under, or adjacent to utility installations, whether above or below ground, and shall control his equipment and method of operation to prevent damage to any utility and its appurtenances.

Under no circumstances shall the Contractor carry out any operations over or adjacent to any utility until the required adjustments and protection as required for the proposed Work have been completed. Additionally, the Contractor shall provide at least 48 hours notice to the utility owner or operator in advance of commencing operations in that area. After completion of the utility Work by the utility owner or operator, the Contractor shall continue to work in close liaison with the utility owner or operator and, if the utility owner or operator so requires, ensure that a representative of the affected utility owner or operator is present at all times during active equipment operations at that location. The Contractor shall ensure that no equipment crosses or operates over or under any utility installation at locations other than where required protection has specifically been provided, and shall work in close cooperation with the utility owner or operator in the execution of the Work. When the Work is in the vicinity of any unprotected utility installation, the Contractor shall exercise extreme caution to ensure that the utility installation is not damaged by the equipment or applied loads. When haul roads or equipment crossings are required, it shall be the Contractor's responsibility to determine, provide and install any protective works necessary and to observe any other necessary precautions.

51.2.58 DISPOSAL SITES

The Contractor shall be responsible for identifying and using proper disposal sites, including obtaining all necessary approvals from the appropriate jurisdiction or authority. In addition, when requested by the Engineer, the Contractor will provide information on the disposal site such as location and haul distance to the site.

51.2.59 TIME OF COMMENCEMENT

The Contractor shall commence the Work at 12:01 a.m. Mountain Standard Time on the commencement date specified in the Special Provisions

51.2.60 CLAIMS AND DISPUTE RESOLUTION

51.2.60.1 Claims Resolution

The resolution of claims arising between parties to the Contract, is subject to the following structured process:

51.2.60.1.1 Claims

If a situation or occurrence arises between the Department and the Contractor, in connection with or arising out of the Contract or the execution of the Work, which results in a difference in opinion between the parties as to payment or compensation required under the Contract or the time required to complete the Work, such situation or occurrence shall be considered a Claim.

51.2.60.1.2 Resolution of Claims

Where the Department or the Contractor considers that a Claim has arisen under the Contract, the Department or Contractor shall issue a Notice of Claim to the other party.

A Notice of Claim shall be in writing and shall state the details of the claim. A Notice of Claim issued by the Contractor to the Department pursuant to the Contract shall be served to the Contract Inspector as defined in Section 51.2.33, Authority of the Contract Inspector.

A Notice of Claim shall be served as soon as possible after the occurrence of the circumstance giving rise to the Claim and not later than seven (7) days after the occurrence of the circumstance, or the claimant becoming aware of the circumstance. Failure to serve a Notice of Claim within this prescribed time period will prejudice the claimant's right to proceed with the Claim, unless the claimant can demonstrate that such delayed Notice did not prejudice the ability of the other party to take action to minimize any additional costs resulting from the Claim.

The parties shall make bona fide efforts to resolve a claim and the Work shall proceed without delay during the claims resolution process. Attempts to resolve claims shall sequentially follow the Department's administrative review structure as follows:

- 1. Operations Manager
- 2. Regional Director
- 3. Executive Director, Business Management Branch

The Department or the Contractor may not unilaterally proceed to litigation without agreement of the other party.

In the event the claim is not resolved to the satisfaction of both parties through this process and the claimant wishes to pursue the matter further, it is incumbent upon the claimant to issue a Notice of Dispute in accordance with Appendix A, Mandatory Dispute Resolution Process of the document entitled "Dispute Resolution Process for Government of Alberta Construction Contracts."

51.2.60.2 Dispute Resolution Process

Claims which escalate into disputes, and appeals to the Engineer's decision regarding the assessment of demerit points, shall be resolved through the processes identified in the document entitled "Dispute Resolution Process for Government of Alberta Construction Contracts", Appendices A, B, C, D, & E. In the event of a conflict between the aforementioned Appendices and other provisions of the Contract, the Appendices shall govern.

All references to Owner in the "Dispute Resolution Process for Government of Alberta Construction Contracts" shall mean the Department.

Any Notice of Dispute issued by the Contractor to the Department pursuant to this Contract shall be served to:

Executive Director, Business Management Branch 3rd Floor, Twin Atria Building 4999-98 Avenue, Edmonton, AB, T6B 2X3 FAX: 422-0232

51.2.61 DAMAGE TO WORK

The Work shall be at the risk of the Contractor and he shall bear all loss or damage arising from any cause, excepting acts of the Queen's enemies, which may occur to the Work or as a result of the Work until the Work is accepted by the Engineer. If any such loss or damage occurs before this acceptance, the Contractor shall at his own expense immediately repair, restore and re-execute the lost or damaged Work so that the Work, or the portions thereof, shall be completed within the specified time.

51.2.62 EQUIPMENT AND MATERIALS

51.2.62.1 Equipment

The Contractor shall supply all equipment necessary to complete the Work. When specific types of equipment are required, such equipment will be specified in the Technical Specifications.

All equipment supplied must meet the required mechanical safety standards for the applicable acts and regulations.

51.2.62.2 Materials

The Material requirements specified in the respective Technical Specifications refer to the most commonly used products. In addition to the materials specified in the Technical Specifications, a list of recognized products/materials and specifications will be available through the Department's website.

In the event that the Contractor and the Engineer agree to the use of a product/material which was not specified at the time of Contract award, the Contractor and Engineer may negotiate a new unit price for the Work.

51.2.63 EXTENSION OF CONTRACT

The Minister and the Contractor may mutually agree to extend the expiry date of the Contract.

51.2.64 PRICE ADJUSTMENT DUE TO INFLATION

51.2.64.1 General

A price escalation factor is included in the Contract to provide the Contractor and the Department with a fair method of accounting for the impact of inflationary and deflationary influences upon the Contract over its term. These influences will be accounted for through the development of a single adjustment factor, which will be based on changes in specific indices published by Statistics Canada and manpower rates published by 3 separate agencies.

51.2.64.2 Index Factor

The inflation adjustment will consider a blend of inflation in a) manpower, b) consumer goods, c) construction costs and d) diesel fuel prices. It will result in an inflation factor which will be weighted on the ratio of 35% manpower, 45% consumer goods, 15% for construction costs and 5% diesel fuel for a total of 100%.

The indices will be calculated based on the following:

- (a) for Manpower, a combination of the following 3 publications will be used: i) the Alberta Union of Provincial Employees (AUPE) Local 12 published rates for a Technologist III at the top level, ii) the Construction Labour Relations published rates for the Teamsters negotiated rates for 8 12 yd3 Tandem Axle Truck Operators and Certified General Labourer rates, and iii) Alberta Roadbuilders and Heavy Construction Association (ARHCA) published rates for the International Union of Operating Engineers (Group 1), Local 955.
- (b) for Consumer Goods, Statistics Canada Report 62-001-SPB, Consumer Price Statistics, Alberta Index, all items.
- (c) for Construction Costs, Statistics Canada Report 62-007-XPB, Construction Price Statistics, Non-Residential Building Construction Price Index, the numerical average of the Edmonton and Calgary values.
- (d) for Diesel Fuel, Statistics Canada Catalogue no. 62-011-XPB, Industry Price Indexes, Industrial Product Price Indexes, by Commodity and Commodity Aggregations, Diesel fuel Prairies.

The base index level for all 4 categories will be established using values as of December 31, 2000. The annual December 31 values, when published, will be reviewed by the Engineer. The annual values will be compared to those of the base year, and an adjustment factor calculated index for each year will be developed by the Engineer using 1.000 for the base year. The annual calculated index values for each year will be compared to the base year, and the difference will be used in developing the adjustment factor.

EXAMPLE:

The following table provides a sample of how the adjustment factors will be developed. The sample calculation uses actual numbers from the above noted publications, and uses 1995 as the base year.

(a) MANPOWER					
NOTE: AUPE annual salary does not include benefits	1995	1996	1997	1998	1999
(i) AUPE Local 12 annual salary (top of a Technologist III)	\$41,328	\$41,328	\$42,279	\$43,230	\$44,959
Construction Labour Relations (Certified General Labourer Hourly Wage)	\$23.85	\$24.13	\$24.40	\$25.15	\$26.72
Construction Labour Relations (Teamsters, 8 - 12 yd3 Tandem Axle Truck Operators Hourly Rate)	\$27.77	\$28.10	\$28.42	\$29.43	\$30.80
(ii) Construction Labour Relations (Combined Average)	\$25.81	\$26.11	\$26.41	\$27.29	\$28.76
(iii) Alberta Roadbuilders & Heavy Construction Association (Group 1 Hourly Rate)	\$22.68	\$22.68	\$23.38	\$23.77	\$24.41
Calculated Indexes					
(i) Alberta Union of Provincial Employees, Local 12	1.0000	1.0000	1.0230	1.0460	1.0879
(ii) Construction Labour Relations (Combined Average)	1.0000	1.0117	1.0232	1.0573	1.1143
(iii) Alberta Roadbuilders and Heavy Construction Association	1.0000	1.0000	1.0309	1.0481	1.0763
MANPOWER INDEX	1.0000	1.0039	1.0257	1.0505	1.0928
(b) CONSUMER GOODS					
	1995	1996	1997	1998	1999
Statistics Canada All Items					
Alberta	105.0	107.3	109.5	110.7	113.4
CONSUMER GOODS INDEX	1.0000	1.0219	1.0429	1.0543	1.0800
(c) CONSTRUCTION COSTS					
	1995	1996	1997	1998	1999
Statistics Canada Non-Residential					
Edmonton	106.1	107.5	109.9	112.7	114.7
	I	1	1	1	1

(d) DIESEL FUEL PRICE					
	1995	1996	1997	1998	1999
Statistics Canada (DIESEL FUEL)					

105.6

1.0000

1.0000

1.0000

Calgary

Calgary

Edmonton

Calculated Indexes

CONSTRUCTION COSTS INDEX

107.2

1.0132

1.0152

1.0142

109.8

1.0358

1.0398

1.0378

112.9

1.0622

1.0691

1.0657

115.3

1.0811

1.0916

1.0863

Prairies	105.2	117.9	117.6	96.3	106.8
DIESEL FUEL PRICE INDEX	1.0000	1.1205	1.1179	0.9150	1.0147

(e) NET INDEX CHANGE						
Weighting Fa	actor	1995	1996	1997	1998	1999
MANPOWER	(35%)	0.3500	0.3514	0.3590	0.3677	0.3825
CONSUMER GOODS	(45%)	0.4500	0.4599	0.4693	0.4744	0.4860
CONSTRUCTION COSTS (15	5%)	0.1500	0.1521	0.1557	0.1599	0.1630
DIESEL FUEL PRICE	(5%)	0.0500	0.0560	0.0559	0.0457	0.0507
NET INDEX CHANGE		1.0000	1.0194	1.0398	1.0477	1.0822

51.2.64.3 Application of Net Index Change

Effective April 1, 2002 and for each following Departmental fiscal year until contract termination, a net index change will be calculated and applied to each of the Contract Unit prices for the next Departmental fiscal year (that is, April 1 to March 31).

51.2.65 ALLOWABLE NUMBER OF CONTRACT MAINTENANCE AREAS

In accordance with Section 3.3, Contracts for Individual or Multiple Contract Maintenance Areas as contained in the "Highway Maintenance Request for Proposal", it is the intention of the Department to limit the number of CMA's administered by any one Contractor to seven. To this end, the Department will monitor the ownership and corporate structure of all maintenance Contractors throughout the term of the Contract and will take appropriate steps to ensure that the "seven CMA" limitation is adhered to.

51.3 TRAFFIC ACCOMMODATION AND TEMPORARY SIGNING (For Maintenance Work)

51.3.1 GENERAL

The Work consists of accommodating traffic through work areas and the installation, maintenance and removal of temporary signing which is specifically related to construction/maintenance operations and which is generally removed when the Work is completed or the situation returns to normal. The Contractor shall implement traffic accommodation controls on all aspects of the Work to ensure the safety of the workers and the motoring public and all signing shall be provided in accordance with the latest edition of the Department's "Traffic Accommodation in Work Zones" manual.

Some maintenance work has a minimal impact on traffic flow and therefore may not require full signing and/or traffic accommodation under all circumstances. Examples which may fall into this category are:

- removal of isolated debris (tire treads and other small objects);
- removal of small animals from the roadway;
- spontaneous filling of sporadic potholes (involving at least two workers);
- normal snow plowing and ice control operations
- washing delineators or signs; and
- other work which is entirely off the roadway surface

The Engineer will identify Work in this category. However, agreement that complete signing is not necessary, does not release the Contractor from the obligation to keep the work site safe for both workers and the travelling public.

51.3.2 HOURS OF WORK

All Work within the right-of-way shall be performed during daylight hours only, unless it is provided otherwise in the Technical Specifications or unless adequate lighting exists which provides visibility of at least 700 metres and prior approval of the Engineer is obtained. Emergency work may also be carried out during hours of darkness with the approval of the Engineer.

No Work shall be performed within the right-of-way when the visibility is less than 700 metres, unless otherwise specified in the Technical Specifications or approved by the Engineer.

51.3.3 THIRD PARTY ACCIDENT REPORTING

The Contractor shall immediately notify the Engineer of any accidents involving his or his sub-contractors vehicles or equipment or that occur in a Work Zone, and which involve a fatality, serious personal injury, or 3rd party property damage in excess of \$1,000 or as specified in the Motor Vehicle Administration Act, or any act or regulation that replaces the Motor Vehicle Administration Act Provisions. The Contractor shall investigate the accident (including those of his sub-contractors) and complete a detailed accident report in a form satisfactory to the Engineer within 72 hours of knowledge of the accident. (Report to include photos, details of site conditions, records of signs, etc.).

51.3.4 MATERIALS

The Contractor shall supply signs, sign posts, weighted stands and any other materials necessary to complete the Work.

Temporary signs shall conform to required standards, in shape, colour and size. The orange portion of all signs, barricades and other traffic control devices shall be fully reflectorized using High Brightness, Retroreflective, Non-Metallized, Prismatic Sheeting Material which incorporates durable, transparent, fluorescent pigment and meets the requirements as shown in the Department's Recognized Products List. All other colours of sheeting material shall be Type III, High Intensity meeting the requirements of ASTM D4956. Standards for colours, shapes and sizes are referenced in the Standards for Signs.

51.3.5 TRAFFIC ACCOMMODATION STRATEGY

When required by the Engineer and prior to commencement of the Work, the Contractor shall prepare Traffic Accommodation Strategies detailing the measures he proposes for the accommodation traffic throughout work zones for the various highway maintenance activities. Each Traffic Accommodation Strategy shall consist of drawings detailing the configuration of temporary signs and other traffic control devices in the work zone. Strategies shall also include written confirmation of the methods or procedures being used by the Contractor to address specific safety related issues or situations within each work zone.

The Engineer may allow the use of a single Traffic Accommodation Strategy for multiple occurrences of similar highway maintenance activities. Typically, this may be appropriate in situations where there are no significant differences in the site specific issues to be addressed for each occurrence of the activity.

The various maintenance activities for which Traffic Accommodation Strategies will be required and the timing of the submission of the Strategies by the Contractor will be determined by the Engineer at the pre-commencement meeting.

51.3.6 PROCEDURES

51.3.6.1 General

Work shall not commence until all necessary traffic control devices and/or detours are in place.

The Contractor shall make suitable provisions, including the use of detours, to accommodate all vehicular and pedestrian traffic safely with a minimum of inconvenience through or around the Work. The Contractor shall provide, install, maintain and protect traffic control devices such as signs, barriers, fences, lights, and such other methods, including the use of flagpersons, as may be required. Traffic control devices shall be moved and kept as close to the work area as practical, as the Work proceeds.

The Contractor shall remove or cover all traffic control devices when they are not essential for the safe accommodation of traffic.

The Contractor shall coordinate traffic accommodation measures with those of other forces at or adjacent to the Work, as required, to accommodate traffic safely and conveniently. This shall not relieve the Contractor of the responsibility for the safe accommodation of traffic over the whole of the Work.

51.3.6.2 Signing

When signs require frequent moves, portable type signs, mounted on weighted stands, may be used. Portable signs shall be placed on the shoulder of the road such that the face of the sign is fully visible to oncoming traffic and the bottom of the sign is not less than 0.3 m above the road surface. The stands shall be securely weighted and erected against being blown over by prevailing winds or gusts from passing vehicles.

Non-portable signs shall be conspicuously posted, and erected at right angles to the roadways, with the bottom of the sign at a height of 1.5 m above the roadway surface, and not less than 2 m nor more than 6.0 m from the nearest traffic lane.

During periods of darkness, signs indicating hazardous conditions and signs requiring increased attention shall be marked with flashers.

Temporary signs shall be erected and maintained in accordance with the latest edition of the Department's Traffic Accommodation in Work Zones manual.

The Department may issue updates for specific types of Work not shown in the Traffic Accommodation in Work Zones manual. In the interim, the Contractor shall propose a typical signing drawing to be reviewed by the Engineer and this configuration will be followed for the duration of the Work.

Poorly maintained, defaced, damaged or dirty construction signs shall be replaced, repaired or cleaned without delay. Special care shall be taken to ensure that construction materials and dust are not allowed to obscure the face of a sign.

Objects within or immediately adjacent to the roadway which constitute a hazard to traffic shall be identified with appropriate safety hazard markers.

"STOP" signs shall be installed on all subsidiary roads (local, district, municipal, service or approach) intersecting a Provincial Highway Detour Route in accordance with the Traffic Accommodation in Work Zones manual.

When a reduction in speed is required, signs shall be posted as indicated in the Traffic Accommodation in Work Zones manual. Signs shall indicate limits as ordered by the Engineer.

All temporary signs shall be removed as soon as possible after the project is completed.

51.3.6.3 Flagpersons

When maintenance operations or work zone conditions cause interruption, delay or hazard to the travelling public, flagpersons shall be continuously maintained for the direction and control of traffic. The Contractor shall ensure that flagpersons are instructed in and use proper traffic control procedures appropriate for the prevailing conditions. Flagpersons shall have proof of certification from a recognised training program on traffic control procedures through construction zones. Traffic control programs administered by the Alberta Construction Safety Association will be considered acceptable. The Engineer reserves the right to accept or reject certification from any other institute.

Flagpersons shall be dressed in clean white uniforms or coveralls, orange hard hats and fluorescent red-orange overvests for maximum visibility, and shall be equipped with the traffic control paddles specified in the Traffic Accommodation in Work Zones manual. The fluorescent red-orange overvests shall have 50 mm wide reflective yellow striping with a minimum total length of 60 cm on the front and 120 cm on the back.

During hours of darkness, flagpersons shall be additionally equipped with a red signal hand-light of sufficient brightness to be clearly visible to approaching traffic and flagging stations shall be illuminated by overhead lighting.

51.3.6.4 Detours

Subject to the approval of the Engineer, detours may be used to carry traffic around the Work.

When traffic is diverted entirely off the right-of-way, the Contractor shall establish or construct and maintain a detour that shall be complete with signs at every intersection in accordance with the Traffic Accommodation in Work Zones manual.

When the Contractor is directed by the Department to use a local road as a detour, the Contractor shall obtain approval from the local road authority to use the detour, and maintain and restore the detour to a standard at least equivalent to its original condition. This will include regravelling if required. The Contractor will be compensated for this Work at the appropriate bid prices. The Engineer will be the final authority on the condition of the detour.

When the Contractor chooses to use a local road as a detour, the Contractor shall obtain approval from the local road authority to use the detour and maintain and restore the detour to the condition required by the local road authority. The local road authority will be the final authority on the condition of the detour.

51.3.6.5 Removal and Salvage of Existing Signs and Guideposts

All existing signs and guideposts, which are to be removed in the prosecution of the Work shall be carefully salvaged by the Contractor and maintained in a condition suitable for reinstallation. Critical signs necessary for the protection of traffic, such as railroad crossing signs or Stop or Yield signs shall be maintained in place.

51.3.7 MODIFICATIONS TO TEMPORARY SIGNING

The Contractor shall be totally responsible for the supply and proper placement of temporary construction signs. However, in the case of potential danger to the travelling public or other circumstances where the Engineer determines that signing is inadequate, the Engineer will require changes to the Contractor's operations to remedy the situation. These changes may involve the use of different types and/or sizes or signs, modifying the number or locations of signs, and any other modifications or additions required to protect the safety of the travelling public.

51.3.8 DAILY RECORDING OF TEMPORARY SIGNING

When required by the Engineer, the Contractor shall record the location of all temporary signs and other traffic control devices. When such recording is required, it shall be performed each day and as the work zone changes. The Contractor shall record this information on a form suitable to the Engineer and shall submit the information to the Engineer upon request.

51.3.9 COMPLIANCE

In cases where the Contractor is not in compliance with the specifications and, in the opinion of the Engineer there is imminent danger to the travelling public, the Engineer has the authority to order the immediate suspension of Work. Such orders must be made in writing.

In other cases where the Contractor is not in compliance with the specifications but, in the opinion of the Engineer the infraction is not causing imminent danger to the travelling public, the Engineer will use the following escalating process to address the situation:

- Issue verbal instructions requiring the Contractor to correct the infraction
- Issue a written warning instructing the Contractor to correct the infraction
- Issue a written order instructing the Contractor to suspend Work until the infraction is corrected to the satisfaction of the Engineer.

51.3.10 MEASUREMENT AND PAYMENT

Provisions for traffic accommodation and the supply, installation, maintenance and removal of any temporary signing will be considered incidental to the Work and will not be paid for separately unless otherwise specified in the Technical Specifications.

When the Engineer directs that a detour road be constructed, the costs of constructing and maintaining the temporary detour and for any required gravelling or dust control of the detour surface will be paid for at the applicable unit prices bid for the type of Work performed. If there are no applicable unit prices for the Work being performed, payment will be made as Extra Work in accordance with Specification 51.2, General Specifications (for Maintenance Work). When the Contractor uses a detour which has not been requested by the Engineer, these costs will be the responsibility of the Contractor and no payment will be made.