

# THE VILLAGE OF MONTROSE

**POLICY TITLE:** SMALL CONTRACT POLICY

**POLICY #** 2240

**POLICY STATEMENT:**

It is the policy of Council to administer all contracted services through a formal contract document.

**POLICY BACKGROUND:**

Council frequently awards contracts to suppliers for services of a modest cash value, where the cost of writing a formal legal contract is excessive in relationship to the value of the contract. Nonetheless, the Village is exposed to a liability risk whenever it enters into a contract for services and the contractor fails to meet his obligations under various statutes and regulations.

**POLICY GOAL:**

The goal of this policy is to issue legal contracts between the Village and Contractors that have a value of \$5,000 and over, exclusive of GST.

**POLICY OBJECTIVES:**

1. Where major contracts for services are awarded and administered by engineering firms or other third parties on behalf of the municipalities, to secure the provision of such services by means of legal contract documents generally used for the type or class of service provided.
2. Where minor contracts for services are awarded and administered by or on behalf of the Village, to secure such services by means of an "Agreement between Village and Contractor" as set out in Schedule "A" attached to, and forming part of this policy.

Initially approved at meeting #11, April 17, 2001.

Last reviewed and amended at meeting #12-14, April 7, 2014

Reviewed and confirmed unchanged at meeting #08-17, April 3, 2017

Next scheduled to be reviewed on April 3, 2018



# THE VILLAGE OF MONTROSE

POLICY #2240  
SCHEDULE "A"

## AGREEMENT

THIS AGREEMENT made this \_\_\_\_\_ day of \_\_\_\_\_ in the year 20\_\_ by and between the Corporation of the Village of Montrose (the "Village") and

\_\_\_\_\_  
\_\_\_\_\_(the "Contractor").

IN CONSIDERATION OF THE agreements, premises, covenants and conditions herein, the Village and the Contractor undertake and agree as follows:

### ARTICLE 1

The Contractor shall:

- a) Provide all necessary materials, labour, supervision and equipment, unless otherwise specified, and perform all the work in a neat and workmanlike manner, and fulfill everything as set forth and in strict accordance with this agreement for the following project on behalf of the Village:

\_\_\_\_\_  
\_\_\_\_\_

- b) Proceed with the Contract work (the "Contract Work") starting by \_\_\_\_\_ 20\_\_ and complete the Contract Work on or before \_\_\_\_\_, 20\_\_ and shall guarantee all work performed for a period of \_\_\_\_\_ (\_\_\_\_\_) year/s from the date of completion.

### ARTICLE 2

The Village shall pay to the Contractor as full compensation for the performance and fulfillment of the Contract Work, the following amounts on the following dates, which amounts are inclusive of all taxes including but not limited to Goods and Services taxes:

\$ \_\_\_\_\_ on \_\_\_\_\_

\$ \_\_\_\_\_ on \_\_\_\_\_

\$ \_\_\_\_\_ on \_\_\_\_\_

### ARTICLE 3.

The following documents are annexed hereto and form a part of this agreement as fully to all intents and purposes as though recited in full herein, and the whole shall constitute the

agreement between the parties and it shall ensure to the benefit of and be binding upon them and their successors, executors, administration and assigns:

- a) \_\_\_\_\_
- b) \_\_\_\_\_
- c) \_\_\_\_\_

**ARTICLE 4**

- a) The Contractor and its employees shall comply with and abide by all applicable federal, provincial and municipal legislation, rules, regulations, orders, directives and bylaws (hereinafter collectively referred to as "Regulations") including but not limited to:
  - (i) all Workers' Compensation Regulations;
  - (ii) all employment standards Regulations;
  - (iii) all local police Regulations;
  - (iv) all local health Regulations;
  - (v) all local fire Regulations.
- b) The Contractor shall obtain and maintain, at the cost of the Contractor, all applicable licenses or permits as may be necessary for the performance of the Contract Work.
- c) The Contractor shall provide the Village with proof, satisfactory to the Village, that the Contractor has satisfactory Workers' Compensation coverage.
- d) The Contractor shall assume responsibility of 'Prime Contractor' as defined in Part 3, Division 3.118(1) of the *Workers Compensation Act* during their performance of the Contract Work.

**ARTICLE 5**

- a) The Contractor shall hold harmless the Village against any claims, damages, losses, suits and judgments of every nature arising out of the Contractor's performance of the Contract Work.
- b) The Contractor shall indemnify the Village from third party liability with respect to health care costs recoverable under the *Health Care Costs Recovery Act* arising out of the Contractor's performance of the Contract Work.
- c) The Contractor shall, at all times at its own expense, maintain liability insurance in the form and amount as may be required by the Village and shall provide the Village with proof thereof.

**ARTICLE 6**

The Contractor shall not assign this agreement or any part thereof without the prior consent, in writing, of the Village.

**ARTICLE 7**

No implied contract of any kind whatsoever, by or on behalf of the Village, shall arise or be implied from anything contained in this agreement or from any position or situation of the parties at any time, it being understood and agreed that the express contracts, covenants and agreement contained herein and made by the parties hereto are, and shall be, the only contracts, covenants, and agreements on which rights against the Village may be founded.

**ARTICLE 8**

This agreement shall supersede all communications, negotiations and agreements, either written or verbal, made between the parties hereto in respect of matters pertaining to this agreement, prior to the execution and delivery hereof.

**ARTICLE 9**

Time shall be strictly of the essence of the agreement.

**ARTICLE 10**

All notices under this agreement shall be in writing and shall be sufficient in all respects if delivered, or sent by registered mail, or sent by telegram addressed to:

The Contractor at:

\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

The Village at: Corporation of the Village of Montrose  
565 – 11<sup>th</sup> Avenue, Box 510  
Montrose, B. C. V0G 1P0

Attention: CAO

Any notice forwarded by prepaid registered mail shall be deemed to have been received on the fourth day following mailing thereof.

IN WITNESS WHEREOF the parties hereto have executed this agreement the day and year first above written.

CONTRACTOR:

\_\_\_\_\_

PER:

\_\_\_\_\_

VILLAGE OF MONTROSE:

PER:

\_\_\_\_\_