

# Glen Oaks Co-op

Glen Oaks Co-operative Homes Inc.

## GLEN OAKS CO-OPERATIVE HOMES INC.

### PURCHASING POLICY

#### Maintenance

- Management is required to maintain track of inventory of parts and supplies.
- Management is required to negotiate the best pricing for supplies and ongoing services and periodically compare prices on the marketplace.
- Management must follow the purchasing thresholds for single jobs:
  - **Under \$1,500** – no quotes required.
  - **\$1,500 - \$5,000** – written/verbal quotes recommended.
  - **\$5,000 to 14, 999** – Three written quotes required.
  - **\$14,999 – \$100,000** – Tender process required. The professional consultant (architect, engineer) must be engaged.
  - **Over \$100,000** – Public Tender. The professional consultant (architect, engineer) must be engaged.
- Upon award of the contract, contractors must provide following documents:
  - Signed Conflict Of Interest Declaration.
  - WSIB certificate
  - Insurance certificate

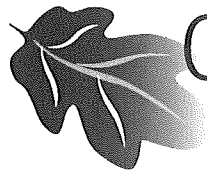
#### Contracted Maintenance

Service contractors should be employed to supplement the skills of the building staff. Some items of maintenance must be carried out only by licensed contractors (elevator services, pest control, fire alarm service and testing etc.).

Contractors can also provide services for a broad range of assignments, including plumbing repairs, electrical, snow removal, drywall preparation, ceramic tile installation, concrete repairs, security systems and appliances repair.

When retaining a tradesman, the management must specify the scope of work as well as the terms and conditions of the assignment.

An authorized staff member must issue a Work Order (purchase order), describing the nature of the assignment.



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Work Orders are not designed to convey terms and conditions of service agreements, large projects with provisions for payment schedules, or complicated projects that require professional services. In these cases a contract should be drawn up.

## **Tendering for Maintenance and Repair Contracts**

- For work under \$14,999:  
Management shall review and act on quotations submitted by tradesmen for ongoing services or approved capital work.
- For work over \$15,000:  
A sealed bids where a tender deadline is set and those bids that are received in accordance with the tender requirements can be considered by the Board of Directors.

## **Consultants**

A qualified consultant or engineer should be retained to assist in the definition of the requirements and the proper specifications in the following cases:

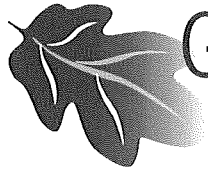
- When dealing with more technical projects
- If the job requires some specific analysis, including accounting, legal services
- The job could result in a potential liability
- If a building permit is required
- If the work involves larger sums of money

For major architectural or structural renovations, a qualified consultant is essential to create drawings and specifications to ensure that all applicable codes are met. In some case the consultant can co-ordinate the tender process and a contract.

Consultants' remuneration may be based on a flat fee schedule or hourly basis. If the latest apply, the consultant's invoice must include a detailed itemized breakdown of charges.

## **Types of Contract**

- Fixed Price – the contractor is paid a lump sum to cover time, expenses and material required for the contractually agreed upon scope of work.
- Time and Materials – when the entire volume of work cannot be defined the contractor can bill on per unit or labor and material costs basis upon completion of work (or as instructed by the management). In this case the following parameters must be set:
  - Hourly Rate
  - Any handling surcharge for the required materials



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- The frequency at which contractor will report on progress and related costs for the job (in order to ensure that the management has control over costs and direction of the project)
- Service Contracts may be in the form of one to ten years in length and should have a day's provision for termination by either party. A long-term contract may contain an escalation clause to offset any increase in labor, material or inflation costs. In some circumstances the Corporation's solicitor may review long-term contracts.
- A Unit Price Contract CCDC4-82 is based on specific pre-determined amounts for each unit of the work performed (i.e., per square meter..)
- A Turnkey Contract is a special case of a stipulated price contact, with one single payment upon completion of the work.

## **Payment Holdback**

In cases when large contracts are involved it may be required that a 10% of the fee due be held for 45 days. This is necessary to protect against any liens that may be placed on the title by a sub-contractor or supplier who has not been paid by the contractor.

The management should require a "Statutory Declaration" from a contractor stating that sub-trades or suppliers have been paid, prior to issuing any progress payment for the work.

## **Selecting a Contractor**

When initiating a tender, minimum of three bidders must be selected to participate in the process. All invited bidders should be screened to ensure that contractors selected to bid are all qualified to perform the job. Pre-qualification should be based on the following criteria:

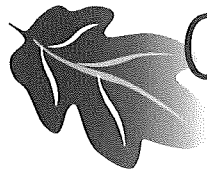
- References
- Financial Stability/successful completion of similar work
- Length of time that the contractor has been in business

If all the contractors have been pre-qualified, then the only factor remaining for awarding the contract will be cost and the completion date.

## **Trades and Contractors Evaluation**

A thorough monitoring of the contractor's performance must be carried out in order to determine the quality of work.

The following techniques can be employed for monitoring the performance:



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- Conduct regular inspections with contractor or sub-contractors. Make notes of the results of the inspections. Provide copies of the inspection notes/reports to the contractor. The inspection reports should include favorable as well as unfavorable comments.
- Solicit feedbacks from members and staff.
- Verify the hours used by the contractors by instituting a progress report and time log.
- Take photographs.

## **Contractors Code of Conduct**

- All keys are returned to the site staff at the end of the workday in accordance with schedule.
- The site staff must be advised of the time tradesmen arrive on the job site.
- Trades clean up the job site at the end of each day.
- Safety and convenience of members must be always considered.
- Any information of the personal nature is confidential.
- Members' property is protected.
- Workplace harassment policy and Human Rights Code are observed.
- Trades persons must be supervised by Co-operative staff when performing any work within an occupied unit, unless otherwise authorized by the management.

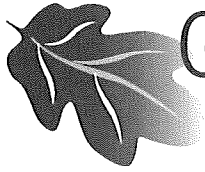
## **Contractor Liability and Insurance**

Prior to entering into the agreement with the contractor the following documentation should be obtained:

- Evidence verifying that the contractor has the appropriate licenses.
- General Liability Insurance Coverage.
- If necessary Fidelity Bonds or bonding certificate may be required.
- Proper WSIB certificate.

## **Conflict of Interest**

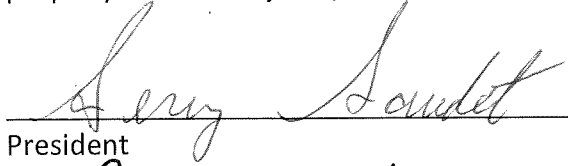
Contractors must sign a Conflict Of Interest Declaration and adhere to the Conflict of Interest Guidelines.



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Policy Approved by the Board of Directors of Glen Oaks Co-operative Home Inc. at a meeting properly held on July 31<sup>st</sup>, 2018.

  
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President

  
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Corporate Secretary