Condominium Home Owners Association of British Columbia
Leadership, Education and Resources for Strata Owners Across BC
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Condo Smarts

Headline: Contract Details
Topic: Contracts
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Written by: Tony Gioventu

Dear Tony: We are facing a significant project in our complex to replace roofing on 4 of our 8 townhouse buildings. They were built in two phases and the first phase roofing is now at the end of its life. Two council members want to use a contractor who gave us a price 6 months ago, and the remaining council want to hire someone to set up specifications so we can get competitive bids on the project. The contractor has told us the price will be higher if they have to bid on the project, and they cannot guarantee the completion before winter. We all agree this is a bit of a red flag, but don't want any additional expenses or delays. How do we manage a single contractor without exposing ourselves to issues?

Gina R. Central Okanagan

Dear Gina: The benefit of having a qualified and experienced independent consultant act for the corporation is that they can be contracted to provide an independent review over the scope and specifications of works, review site progress and sign off the final completion. This enables the strata corporation to manage budgets, ensure the product and installation are to the specifications, and manage hold backs and final payments.

Because of location and availability, it is common for a strata corporation to engage a single contractor for a variety of projects; however, it is prudent to protect the interests of the corporation. Independent consultants still work directly with the single contractors and establish written agreements and specifications to protect your interests.

The Roofing Contractors Association of BC provide referral services for inspectors and consultants at a very reasonable cost and expedient availability. Engineering firms also provide local consulting services for roofing systems.

Over the years, our offices have assisted strata corporations where projects have failed or resulted in extreme budget over runs. The source of the complications is generally lack of documentation, misunderstanding the project, the scope of work, limitations on change orders, product supply, and unfair payment schedules. Setting specifications and a detailed scope of contract conditions is critical to protect your owners.

A contract review by a lawyer is also critical. The lawyer will review terms, conditions and performance requirements of the contractor and if a consultant is being hired, their obligations under the Canadian Construction Standards (CCDC). The costs to retain professionals before you begin are minimal, compared to the costs to battle a dispute. If a contractor is proposing any work in good faith, they should be willing to agree to written contracts and specifications.

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