

# CCA 1 – stipulated price subcontract

CCA 1 is a standard construction contract form designed for the Contractor and Subcontractor when performing the required subcontract work for a single, pre-determined fixed price or lump sum, regardless of the Subcontractor's actual costs.

## What's in CCA 1?

- Combines the “refer-by-reference” and “stand-alone” approaches into a single form. Users can choose between these two approaches simply by completing either page 2A or 2B (not both) and discarding the other page.
- Clearly defines the scope of the Subcontract Work by requiring all parties to list all Subcontract Documents which will comprise the Subcontract.
- Provides a detailed description of the roles and obligations of the Contractor and the Subcontractor, which are carefully co-ordinated with other standard contract forms within the Project, e.g. Prime Contract (CCDC 2), Client-Architect Agreement (CCAC Document 6) and Client-Engineer Agreement (ACEC Document 31).
- Contains provisions that specify the procedures and parties' rights in the case of the Owner failing to make a payment.
- Provides Change Orders and Change Directives that give the Contractor the right to order changes.
- Supplies advanced dispute resolution processes (negotiation, mediation and arbitration) that encourage speedy and inexpensive voluntary resolution of construction disputes.
- Specifies the minimum General Liability Insurance and “Broad Form” Property Insurance coverage that should be carried for all subcontract work.
- Provides standard indemnification provisions that set out the Subcontractor's obligations in indemnifying the Contractor with respect to claims asserted against the Contractor by third parties.
- Contains standard waiver of claims provisions that, subject to provincial legislation, limit both parties' rights in bringing action against each other after completion of the Subcontract Work.
- Has carefully developed provisions to address specific project situations such as: concealed or unknown conditions, delays, claims, non-payment by the owner, suspension or contract termination, protection of adjacent property, toxic and hazardous substances, construction safety, permits and fees, other subcontractors, construction by the Contractor, warranties etc.

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## Important differences between the 2008 and the 2001 editions

1. Whenever the defined term “Notice in Writing” is specified in the Contract Documents, the parties shall follow the delivery and receipt process described in Article A-7, which has been expanded to address other forms of communication, including electronic.
2. New SCC 6.6 – CLAIMS FOR A CHANGE IN SUBCONTRACT PRICE that addresses the process for the parties to claim for a change in Subcontract Price, which is based on the following principles:
  - A “claim” may be made by either party against the other.
  - A “claim” only becomes a “dispute” if the Contractor or the Subcontractor does not accept the Consultant’s initial finding.
  - Claimant has a duty to give timely notice of intent to claim, mitigate loss or expense, keep records, and submit detailed account within a reasonable time.
3. New SCC 9.3 – ARTIFACTS AND FOSSILS to address the process and the rights and obligations of the parties in the event the Contractor discover artifacts, fossils or things that are of scientific or historic interest.
4. New SCC 9.5 – MOULD to address the process and the rights and obligations of the parties in the event the Subcontractor or the Contractor observes or reasonably suspects the presence of mould at the Place of the Work.
5. SCC 11.1 - INSURANCE has been substantially revised, e.g. the minimum liability insurance coverages and maximum deductible have been increased to \$5,000,000 and \$5,000 respectively; the minimum property insurance coverage and maximum deductible have been increased to “1.1 times Contract Price” and \$5,000 respectively.
6. SCC 12.1 – INDEMNIFICATION has been substantially revised, e.g. the provisions are now “mutual” between the Contractor and the Subcontractor; all indemnification related provisions have been consolidated under this General Conditions; The limitations on the parties’ obligation to indemnify each other have been revised subject to the type of claims (direct vs. third party), limit of general liability insurance as per CCDC 41 – CCDC INSURANCE REQUIREMENTS, and the Subcontract Price.
7. SCC 12.2 – WAIVER OF CLAIMS has been substantially revised, e.g. the provisions are now “mutual” between the Contractor and the Subcontractor; primary waiver of claims shall be tied to expiry of lien period (11 days prior) instead of “final certificate for payment”; waiver of claims arising out of warranty provisions shall be tied to 390 days after Substantial Performance of the Work.
8. SCC 12.3 – WARRANTIES has been revised to address extended warranties beyond the normal one year warranty period.