Subcontractor Management

Corporate Safety Committee

BM-P36

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ACRONYMS/DEFINITIONS

ANSI	American National Standards Institute
B&M	Black & McDonald Limited
CSA	Canadian Safety Association
HSE	Health, Safety & Environment
PJHA	Pre-Job Hazard Assessment
PSP	Project Safety Plan
PPE	Personal Protective Equipment

PURPOSE

The purpose of the Black & McDonald's Subcontractor Management program is to outline the minimum requirements of the various stages within qualifying, selecting and managing subcontractors on Black & McDonald projects where we are the constructor/prime contractor.

SCOPE

This program applies to:

- All Black & McDonald Team members included in the process of qualifying, selecting and managing subcontractors on Black & McDonald projects.

This program is intended to assist in identifying and complying with Black & McDonald safety standards, CSA, ANSI and also the authority having jurisdiction. In cases where there is a difference between specific legislation and the guidelines set forth in this program, the more stringent requirement shall be applied.

RESPONSIBILITIES

Project Manager:

- Ensure that subcontractors have been prequalified prior to commencing work
- Hold a project kick-off meeting to discuss the details of the project including Black & McDonald requirements
- Ensure oversight of subcontractors while performing work including Subcontractor Site Inspections/Monitoring Checklists
- Participate in incident investigations and corrective actions
- Conduct a Post Job review of the subcontractor

Supervisor:

- Ensure all subcontractors comply with the requirements of the site-specific Project Safety Plan, and all local legislation
- Provide oversight of subcontractors working on B&M projects including Subcontractor Site Inspections/Monitoring Checklists
- Participate in incident investigations and corrective actions
- Report to Project Manager any concerns related to the subcontractors
- Participate in Post Work review of the subcontractor

HSE Manager:

- Ensure that subcontractors meet the requirements during the prequalification phase
- Establish content and delivery process for contractor orientation on sites
- Ensure oversight of subcontractors while performing work
- Collect incident reports from subcontractors and conduct investigations on any incidents and coordinate with the client/subcontractor for corrective actions
- Participate in the Post Work review of the subcontractor

Legal / Finance:

- Ensure that subcontractors meet the requirements during the prequalification phase

Workers:

- Notify the supervisor of concerns regarding the work activities, behavior or compliance of any subcontractor

IDENTIFICATION OF NEEDS

Black & McDonald provides multiple services in various different industries, and on occasion it is required that we subcontract work.

The Subcontractor Management program outlines the relationship between the contractors and Black & McDonald and will assure the development of long-term business relationships between the Companies. It provides the methodology in which subcontractors are qualified, selected, and managed while working for Black & McDonald.

This program provides guidance for subcontract management activities including:

- Prequalification;
- Managing subcontractors while performing work;
- Post work evaluation

RISK ASSESSMENT

Prequalifying subcontractors is an important way to ensure the hiring of a subcontractor that has the necessary experience and the ability to complete the job safely, on time, and within budget while meeting or exceeding Black & McDonald and local legislative compliance.

Prequalifying subcontractors helps minimize risk and increase the chance of the job being done right.

GENERAL REQUIREMENTS

Prequalification and Bidding Process

Prequalification is the process of assessing a contractor's Health, Safety and Environment related information to determine the state of their HSE Management System as well as their performance.

Black & McDonald Internal Prequalification Process (DSI)

To pre-qualify subcontractors, Black & McDonald has internally developed a web portal that allows for digital submission and review of the requested information. The portal directs the subcontractor through a questionnaire/application and allows them to upload supporting documents. Once the subcontractor has completed this questionnaire/application, their information is sent to Legal, Finance and HSE Departments for review and approval.

We have developed a tiered matrix to successfully obtain the required information from the subcontractor based on their work applications and/or the type of project:

Tier	Definition	Pre-Qualification Requirements
Tier 1	Subcontractors with purchase orders below or equal to $50,000	• Agrees to comply with B&M Code of Conduct and HSE Policies • Supplies WCB certificate, WCB rate statement and Certificate of Insurance • Supplies HSE Stats
Tier 2	Subcontractors with purchase orders above $150,000 and below or equal to $250,000	• Agrees to comply with B&M Code of Conduct and HSE Policies • Supplies WCB certificate, WCB rate statement and Certificate of Insurance • Supplies HSE Stats • **Provides previous project references** • **Provides trade references** • **Provides credit check**
Tier 3	Subcontractors with purchase orders above $250,000	• Agrees to comply with B&M Code of Conduct and HSE Policies • Supplies WCB certificate, WCB rate statement and Certificate of Insurance • Supplies HSE Stats • **Provides previous project references** • **Provides trade references** • **Provides HSE credit check** • **Submits HSE policy for review** • **Submits HSE Contact information**

Process Overview

Step	Department	Action
1	Operations	(PMs, Admins) request (via Helpdesk ticket) pre-qualification of a sub *recommendation is that this step is conducted during the estimating phase
2	Legal	Gets subcontractor access to portal by providing an email address of the subcontractor; portal notifies the subcontractor of action required through e-mail.
3	Subcontractor	Completes the application and submits information into the Portal *legal department is the point of contact for any questions)
4	HSE, Legal, Finance	Approvers from HSE, Legal and Finance (based on Region) are notified of the submission via email. They are then required to review the information submitted and make a decision to approve or reject the application These reviews can happen in parallel; different sections of the application are 'owned' by different departments and only the owner of that section can request clarification/additional information for that section.
5	Portal	Portal notifies the subcontractor of the decision and updates the status of that subcontractor in JDE
6	Legal	Prior to creating a new PO, Legal will verify the status in JDE. If the prequalification is not approved, an RVP override (with reason for override) will be required for the PO to be generated

Full process for Subcontractor Prequalification can be found in the ***Subcontractor Prequalification Business Process Document (Appendix)***

Instructions for using the internal prequalification portal can be found in ***"How to Navigate the Subcontractor Prequalification Portal Instruction"*** document ***(Appendix)***

Management of Subcontractors

Kick off Meeting

A kick-off (pre-start) meeting is required to be conducted, prior to work commencing, to discuss the responsibilities and expectations pertaining to the job. These meetings will include the appropriate management from Black & McDonald as well as the subcontractor(s). The areas of discussion during these meetings includes, but is not limited to:

- Pre-Job Hazard Assessments (process, frequency, submission requirements, etc.);
- Emergency Preparedness Plan;
- Personal Protective Equipment (PPE);
- Hazardous substances and other hazards identified by the client;
- Incident Reporting/Investigations and Corrective Actions;
- Critical scopes of work (i.e. working at heights, confined space);
- Site-specific Orientation
- Site Inspections/Task Observations (process, frequency, submission requirements, etc.).

Project Safety Plan

During the prequalification process, the subcontractor agrees to adhere to Black & McDonald's Code of Conduct and HSE Policies. Furthermore, the subcontractor is required to contribute to the Black & McDonald Project Safety Plan or develop one of their own. The decision to require the subcontractor to provide their own Project Safety Plan is at the discretion of the HSE team and/or Regional Vice President based on the scope of work and if their plan exceeds Black & McDonald requirements.

Regional HSE and the Project Manager will review the subcontractors Project Safety Plan. At a minimum, the Project Safety Plan ***(Appendix)*** (or Site-Specific Safety Plan) must include, at a minimum:

- Scope of work
- Roles and responsibilities
- Emergency preparedness (including contact information)
- Safety education, training and orientation
- Hazard identification and risk assessment
- Personal Protective Equipment requirements
- Environmental hazard assessment (as required)
- Harassment, violence, discrimination risk assessment (as required)

These forms are to be completed in eCompliance and will be kept on the secure cloud server for future recall.

Subcontractor Site Checklist

In addition to Black & McDonald standard monitoring through Site Inspections and Task Observations, subcontractors are also subject to Subcontractor Monitoring Checklist ***(Appendix).***

These checklists are designed specifically for reviewing and evaluating the subcontractor's performance and compliance while executing work on site(s).

The checklists are to be completed by the Project Manager or a member of the Regional HSE Team on eCompliance where they are saved to the secure cloud server for future recall.

Post Work Review

After work has been completed, a review of the performance of the subcontractor is required. This Post-work Review ***(Appendix)*** provides information on whether the subcontractor's work has met Black & McDonald requirements for Health, Safety, and Environment, as well as their quality and overall work performance.

This information is used to confirm the ongoing relationship with the Subcontractor and will be noted within their application for use on future projects.

TRAINING

Training on the DSI Subcontractor portal application is required for individuals in Legal, Finance, H&S as well as Project Managers and Coordinators.

MAINTENANCE AND INSPECTION

This program is to be reviewed every 3 years, as a minimum.

RECORD RETENTION

All records associated with this program shall be retained by the safety department in accordance with guidelines set forth by the authority having jurisdiction.

REFERENCES/RESOURCES

- Black & McDonald HSE Handbook
- Black & McDonald HSE Manual

APPENDIX

1. Subcontractor Prequalification Business Process Document
2. “How to Navigate the Subcontractor Prequalification Portal Instruction”
3. Project Safety Plan
4. Subcontractor Monitoring Checklist
5. Post Work Review

REVISIONS

Every 3-years, or as required. Under continuous review/scrutiny reviewed as required.

Revision #	Date	Revisions Made
0	January 2023	Initial Release