General Conditions of Contract

CW962500-CI-SP-001

Revision: 0 Date: 30/08/16

Prepared for:
Shire of Dandaragan
Sewer Infill Expansion
Jurien Bay
RFT 01/2016
Contact Information

Cardno BEC Pty Ltd
Trading as Cardno BEC
ABN 66 074 006 063

Cardno WA Pty Ltd
Trading as Cardno
ABN 77 009 119 000

11 Harvest Terrace, West Perth WA 6005
Telephone: 08 9273 3888
Facsimile: 08 9486 8664
International: +61 8 9273 3888
wa@cardno.com.au
www.cardno.com

Document Information

Prepared for: Shire of Dandaragan
Project Name: Sewer Infill Expansion
Site Location: Jurien Bay
Client Reference: RFT 01/2016

Project No: CW962500
Discipline Code: CI
Doc Type Code: SP
Doc Sequence No: 001
Doc Title: General Conditions of Contract

Revision Number: 0
Effective Date: 30/08/16
Date Approved: 30/08/16

Document Control

<table>
<thead>
<tr>
<th>Revision</th>
<th>Date</th>
<th>Description of Revision</th>
<th>Prepared By</th>
<th>Reviewed By</th>
<th>Approved By</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>30/08/16</td>
<td>Initial Revision</td>
<td>Steven J Hecker</td>
<td>Neville Taito</td>
<td>NT</td>
</tr>
</tbody>
</table>

© Cardno. Copyright in the whole and every part of this document belongs to Cardno and may not be used, sold, transferred, copied or reproduced in whole or in part in any manner or form or in or on any media to any person other than by agreement with Cardno.

This document is produced by Cardno solely for the benefit and use by the client in accordance with the terms of the engagement. Cardno does not and shall not assume any responsibility or liability whatsoever to any third party arising out of any use or reliance by any third party on the content of this document.
# Table of Contents

1 Special Conditions .................................................................................................................................................1
   1.1 Type of Contract .............................................................................................................................................1
   1.1.1 Provisional Sums ...................................................................................................................................1
   1.1.2 Provisional Quantities ........................................................................................................................1
   1.2 Payments and Taxes .......................................................................................................................................1
      1.2.1 Progress Payments ..........................................................................................................................1
   1.2.2 Variation Claims ....................................................................................................................................1
      1.2.3 Taxes ....................................................................................................................................................2
   1.3 Control and Supervision ............................................................................................................................2
   1.4 Materials and Workmanship ......................................................................................................................2
      1.4.1 Warranty ...........................................................................................................................................2
      1.4.2 Trade Names ....................................................................................................................................2
   1.5 Contours and Levels ....................................................................................................................................2
   1.6 General on-site Requirements ...................................................................................................................2
   1.7 “As-Constructed” Drawings ....................................................................................................................3

2 General Conditions ..................................................................................................................................................3

3 ANNEXURE to the Australian Standard General Conditions of Contract PART A .....................................4

4 ANNEXURE to the Australian Standard General Conditions of Contract PART B ..................................6
   4.1 AMENDMENTS TO AS 2124 - 1992 ...........................................................................................................7
1 Special Conditions

1.1 Type of Contract

The Contract is a Lump Sum Contract for the completion of the whole of the works described or intended in these documents.

Tenderers shall complete a Priced Schedule of Rates and submit with their tender, which shall form part of the Contract only for the purpose of assessing variations.

The Priced Schedule of Rates shall, however, add up to the Tendered Lump Sum. It is the Tenderer's responsibility to check and ensure that the items and quantities measured are an accurate reflection of the work required to complete the Contract. Should any items be omitted or quantities incorrect for the works shown on the Drawings, the Tenderer shall include and/or modify the Schedule of Rates to relate to their Tender Sum. If a Priced Schedule of Rates omits an item which should reasonably have been anticipated by an experienced and competent Contractor to be necessary for the satisfactory completion of the works and such omitted item is not inserted by the Tenderer, then the cost of such item shall be deemed to be included within other items of the Schedule of Rates.

All work and any ordered additions or deletions to or from the work shall be measured in accordance with the "Method of Measurement of Civil Engineering Works and Associated Building Works AS1181 - 1982", except for such deviations as are envisaged in Section 1.3 of that document.

1.1.1 Provisional Sums

Tenderers shall include the Provisional Sums shown in the Priced Schedule of Rates in their Tender amount. These sums or any part thereof will be expended only on the written instruction of the Superintendent.

Works described by Provisional Sums shall be allowed to be completed within the Contract Period described by the due Date for Practical Completion.

1.1.2 Provisional Quantities

Quantities marked Provisional in the Priced Bill of Quantities have been used where the information available is insufficient to permit an accurate assessment of the actual quantities.

The quantities used shall be as set out in the Bill for assessment of the Contract Price, but payment for each and every item shown as having a provisional quantity shall be for the actual quantity completed, as measured by the Superintendent paid for at the rate shown in the Bill.

Works described by Provisional Quantities shall be allowed to be completed within the Contract Period described by the due Date for Practical Completion.

1.2 Payments and Taxes

1.2.1 Progress Payments

Progress payments shall be made monthly in accordance with the General Conditions of Contract. Claims shall be prepared by the Contractor, submitted to and agreed by the Superintendent.

The Contractor shall submit their claim for payment by no later than the third day of the month, if payment is to be made in that month. Claims received after this time will not be assessed until the following month.

1.2.2 Variation Claims

Claims for variations to the Contract shall be submitted separately from claims for payment. No claim for payment of variation costs will be considered until the variation cost has been approved, and the Contract Sum adjusted accordingly.
1.2.3 Taxes

The Contract Sum shall be deemed to include provision for any customs duty and primage applicable on all imported materials, plant and equipment required in connection with the work of this Contract; payroll tax; the Building and Construction Levy under the Building and Construction Industry Training Fund and Levy Collection Act 1990.

1.3 Control and Supervision

At the Superintendent's discretion, the Superintendent can order one portion of the Contract to be proceeded with before another part is completed. The Superintendent has power to amend the designed layout and Contract Drawings as deemed necessary on the site. The order of work can be amended by the Superintendent if deemed that it will quicken the completion of the Contract or is necessary in the interest of completing other contracts.

The Contractor's representative shall be a qualified engineer or with equivalent qualifications and shall have had experience in executing work equal in nature and magnitude to the work in this Contract.

The Contractor shall, within 7 days of award of the Contract, submit a bar chart or critical path construction program ending on or before the Due Date for Practical Completion of the works for the Superintendent's approval. The Contractor shall follow the approved program unless otherwise directed by Superintendent.

1.4 Materials and Workmanship

1.4.1 Warranty

The Contractor warrants that the completed works and every part thereof and all materials, articles and goods used or incorporated therein or supplied by the Contractor in performance or purported performance of this Contract, whether purchased by the Contractor under any patent or trade name or otherwise, shall comply with the quality, quantity number, nature, description and condition specified, or shall otherwise be fit for the purpose for which they are required. The Contractor shall be liable for breach of this warranty notwithstanding that the Superintendent may have accepted the works or any part thereof as satisfactorily executed or completed.

1.4.2 Trade Names

Where in this Specification or on the Drawings, trade names, brands and/or catalogue numbers are referred to sole preference to any material or equipment is not intended. When a substitute is offered, it must be equal to that specified and to the approval of the Superintendent.

1.5 Contours and Levels

Contours and levels provided on the Drawings to show existing levels shall be deemed to be the levels used in preparation of the Tender.

If it can be shown on the date of possession of the site by the Contractor, or within 48 hours of that date, that the existing levels differ from the levels shown on the Drawings by an amount which would change the quantity of any of the work to be executed under the Contract by more than 10% of the quantity calculated from the levels shown on the Drawings, the Contract Sum shall be adjusted accordingly.

1.6 General on-site Requirements

The Contractor shall have at all times one set of plans and specifications at the works site and shall make them available to the Superintendent if required.

The Contractor shall have at all times one falling weight penetrometer on the site for testing compaction in sandy or other suitable soils and shall make it available to the Superintendent if required. The Contractor shall arrange for calibration testing to be carried out (to determine the required blow count necessary to achieve the specified compaction level), with sufficient testing allowed to address any variance in the soil.
The Contractor shall not exhibit or permit to be exhibited any advertisement on the site or on any land to which the Contractor has access under the Contract, unless the written permission of the Superintendent has been obtained.

Notice shall be given in an approved manner to the Superintendent for any required inspections. At least 24 hours' notice for such inspections is required. Notwithstanding the above, where it is necessary that representatives of the responsible local authority, the Water Corporation or a similar authority attend an inspection, sufficient notice shall be given to permit such arrangements to be made. A minimum notice shall be given to permit such arrangements to be made. A minimum notice of five working days is envisaged.

1.7 “As-Constructed” Drawings

The Contractor shall engage a suitably qualified Surveyor to complete a set of as-constructed plans to the Water Corporation Western Australia’s standards. A set of completed as-constructed plans are required prior to practical completion to the Superintendent’s satisfaction and prior to the practical completion payment certificate being processed.

2 General Conditions

The General Conditions for this Contract shall be the publication “General Conditions of Contract AS2124-1992”. A copy of Annexure Parts A and B to be attached to and read together with the General Conditions are included in this document.
This Annexure shall be issued as part of the tender documents and is to be attached to the General Conditions of Contract and shall be read as part of the Contract.

<p>| The law applicable is that of the State or Territory of: (Clause 1) | Western Australia |
| Payments under the Contract shall be made at: (Clause 1) | The offices of the Principal |
| The Principal: (Clause 2) | Shire of Dandaragan |
| The address of the Principal: | PO Box 676, Jurien Bay, WA 6516 |
| The Superintendent: (Clause 2) | Cardno (WA) Pty Ltd |
| The address of the Superintendent: | 11 Harvest Terrace, West Perth, WA 6005 |
| Limits of accuracy applying to quantities for which the Principal accepted a rate or rates: (Clause 3.3(b)) | 5% (five per cent) |
| Bill of quantities - the alternative applying: (Clause 4.1) | Alternative 1 (one) |
| The time for lodgement of the priced copy of the Bill of Quantities: (Clause 4.2) | Nil - to be submitted with tenders |
| • Contractor shall provide security in the amount of: (Clause 5.2) | Nil |
| • Principal shall provide security in the amount of: (Clause 5.2) | Nil |
| • The period of notice required of a party’s intention to have recourse to retention moneys and/or convert to security: (Clause 5.5) | Not applicable |
| The percentage to which the entitlement to security and retention moneys is reduced: (Clause 5.7) | 50% (fifty per cent) |
| Interest on retention moneys and security - the alternative applying: (Clause 5.9) | Alternative 1 (one) |
| The number of copies to be supplied by the Principal: (Clause 8.3) | 2 (two) |
| The number of copies to be supplied by the Contractor: (Clause 8.4) | 2 (Two) |
| The time within which the Superintendent must give a decision and return the Contractor’s copies: (Clause 8.4) | 14 (Fourteen) days |
| Work which cannot be subcontracted without approval: (Clause 9.2) | All Works |
| The percentage for profit and attendance: (Clause 11(b)) | 10% (ten per cent) |
| The amount or percentage for profit and attendance: (Clause 11(c)) | 5% (five per cent) |
| Insurance of the Works - the alternative applying: (Clause 18) | Alternative 1 (one) |
| The assessment for insurance purposes of the costs of demolition and removal of debris: (Clause 18(ii)) | $A50,000.00 |
| The assessment for insurance purposes of consultants’ fees: (Clause 18(iii)) | $A100,000.00 |</p>
<table>
<thead>
<tr>
<th>Description</th>
<th>Value/Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>The value of materials to be supplied by the Principal: (Clause 18(v))</td>
<td>Nil</td>
</tr>
<tr>
<td>The additional amount or percentage: (Clause 18(v))</td>
<td>Nil</td>
</tr>
<tr>
<td>Public Liability Insurance - the alternative applying: (Clause 19)</td>
<td>Alternative 1 (One)</td>
</tr>
<tr>
<td>The amount of Public Liability Insurance shall be not less than: (Clause 19)</td>
<td>$A10,000,000.00</td>
</tr>
<tr>
<td>The time for giving possession of the Site: (Clause 27.1)</td>
<td>14 days (fourteen)</td>
</tr>
<tr>
<td>• The Date for Practical Completion (Clause 35.2)</td>
<td>30th November 2016</td>
</tr>
<tr>
<td>• Liquidated Damages per day: (Clause 35.6)</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>• Limit of Liquidated Damages: (Clause 35.7)</td>
<td>No Limit</td>
</tr>
<tr>
<td>• Bonus per day for early Practical Completion: (Clause 35.8)</td>
<td>Nil</td>
</tr>
<tr>
<td>• Limit of bonus: (Clause 35.8)</td>
<td>Nil</td>
</tr>
<tr>
<td>• Extra costs for Delay or Disruption: (Clause 36)</td>
<td>Nil</td>
</tr>
<tr>
<td>• The Defects Liability Period: (Clause 37)</td>
<td>52 weeks</td>
</tr>
<tr>
<td>The charge for overheads, profit, etc. for Day-work: (Clause 41(f))</td>
<td>Nil</td>
</tr>
<tr>
<td>Times for payment claims: (Clause 42.1)</td>
<td>Once each month</td>
</tr>
<tr>
<td>Unfixed plant and materials for which payment claims may be made notwithstanding that they are not incorporated in the Works: (Clause 42.1(iii))</td>
<td>Nil</td>
</tr>
<tr>
<td>Retention Moneys on: (Clause 42.3)</td>
<td>a) work incorporated in the Works and any work or items for which a different amount of retention is not provided, 10% of the value until 5% of the Contract Sum is held; b) items on site but not yet incorporated in the Works, 100%; c) items off Site but in Australia 100%; d) items not in Australia 100%; e) disbursements incurred by the Contractor for customs duties, freight, marine insurance, primage, landing and transport in respect of the work under the Contract 100%;</td>
</tr>
<tr>
<td>Unfixed Plant or Materials - the alternative applying: (Clause 42.4)</td>
<td>Alternative 3 (three)</td>
</tr>
<tr>
<td>The rate of interest on overdue payments: (Clause 42.9)</td>
<td>Nil</td>
</tr>
<tr>
<td>The delay in giving possession of the Site which shall be a substantial breach: (Clause 44.7)</td>
<td>14 days (fourteen)</td>
</tr>
<tr>
<td>The alternative required in proceeding with dispute resolution: (Clause 47.2)</td>
<td>Alternative 2 (two)</td>
</tr>
<tr>
<td>The person to nominate an arbitrator: (Clause 47.3)</td>
<td>Superintendent</td>
</tr>
<tr>
<td>Location of arbitration: (Clause 47.3)</td>
<td>Perth, Western Australia</td>
</tr>
</tbody>
</table>
4 ANNEXURE to the Australian Standard General Conditions of Contract PART B

NOTE: This table is intended for easy reference to clauses that may have been deleted, amended or added to Australian Standard 2124 - 1992.

1) The following clauses have been deleted from the General Conditions in AS 2124 - 1992:

   None

2) The following clauses have been amended and differ from the corresponding clauses in AS 2124 - 1992:


3) The following clauses have been added to those of AS 2124 - 1992:

   Clause 29.2(a), Clause 29.4, Clause 31.7(a)
4.1 AMENDMENTS TO AS 2124 - 1992

Clause 3 Delete lines 38, 39 and 40
Add:

Clause 9 Amend line 44:
advise the Contractor of approval or REJECTION.

Clause 12 Amend lines 33 to 35:
excluding weather conditions, which differ materially AND SUBSTANTIALLY from THOSE physical conditions which should reasonably have been anticipated by AN EXPERIENCED AND COMPETENT CONTRACTOR at the time of the Contractor’s tender etc.
Amend line 49:
a) The latent condition encountered and in what respect it differs materially AND SUBSTANTIALLY.

Amend line 7:
which AN EXPERIENCED AND COMPETENT contractor could not reasonably have anticipated, etc.

Clause 16 Line 22 delete closing bracket after Contractor.

Clause 17 Delete lines 44 and 45.
Amend lines 49 and 50:
The Principal shall indemnify the Contractor in respect of claims referred to in Clause 17.1(v).

Clause 29 Add new clause 29.2(a):
CONSTRUCTION PLANT OWNED BY OWNERS

THE CONTRACTOR SHALL, UPON REQUEST BY THE SUPERINTENDENT, NOTIFY THE SUPERINTENDENT IN WRITING OF THE NAME AND ADDRESS OF THE OWNER OF ANY CONSTRUCTION PLANT USED ON THE WORK UNDER THE CONTRACT AT THE SITE AND HELD BY THE CONTRACTOR UNDER AN AGREEMENT WITH THE OWNER. THE PRINCIPAL MAY, IN ORDER TO AVOID SEIZURE BY THE OWNER OF SUCH CONSTRUCTION PLANT, PAY TO THE OWNER THE AMOUNT OF ANY OVERDUE INSTALMENT OR OTHER SUMS
PAYABLE UNDER THE AGREEMENT, IN THE EVENT OF DOING SO THE PRINCIPAL MAY RECOVER THE AMOUNT AS A DEBT DUE FROM THE CONTRACTOR.

Add new Clause 29.4:

WARRANTIES

THE CONTRACTOR SHALL ENSURE THAT ALL WARRANTY ENTITLEMENTS ARISING FROM THE WORKS INCLUDE THE PRINCIPAL AND THE CONTRACTOR AS NAMED BENEFICIARIES. SUCH WARRANTIES SHALL BE IN A FORM APPROVED BY THE SUPERINTENDENT AND SHALL BE SUBMITTED TO THE SUPERINTENDENT PRIOR TO THE ISSUE OF THE FINAL PAYMENT CERTIFICATE.

Clause 30

After line 21 (page 25 Clause 30.6), add new paragraph:

THE CONTRACTOR SHALL NOT BE ENTITLED TO RELY UPON ANY INSPECTIONS OR TESTS CARRIED OUT FOR THEIR OWN PURPOSES BY THE PRINCIPAL OR SUPERINTENDENT.

Clause 31.7

Add new Clause 31.7(a)

COSTS OF INSPECTIONS

COSTS OF INSPECTIONS OF THE WORKS BY THE SUPERINTENDENT SHALL BE BOURNE BY THE PRINCIPAL UNLESS:

A) THE INSPECTION IS DUE TO A PREVIOUSLY UNSATISFACTORY INSPECTION OF THE SAME SECTION OF WORKS;

B) THE CONTRACTOR FAILS TO HAVE THE SECTION OF THE WORKS READY FOR INSPECTION ON THE SCHEDULED INSPECTION DATES, WHICH COINCIDE WITH THE PROPOSED FORTNIGHTLY SITE MEETINGS;

C) THE CONTRACTOR REQUESTS AN INTERMEDIATE INSPECTION OUTSIDE OF THE PROPOSED FORTNIGHTLY SITE MEETINGS;

D) THE INSPECTION IS RELATED TO ANY HEALTH AND SAFETY INCIDENT OR NEAR MISS ARISING AS A RESULT OF THE CONTRACTOR’S PERFORMANCE OF WORKS UNDER THE CONTRACT.

WHERE SUCH COSTS ARE NOT TO BE BOURNE BY THE PRINCIPAL, THEY SHALL BE BOURNE BY THE CONTRACTOR OR PAID BY THE CONTRACTOR TO THE PRINCIPAL. THE COST OF SUCH INSPECTIONS SHALL BE $1,120 (EXCLUDING GST) PER INSPECTION.

Clause 35

Amend line 41 and 35.5:

described in the next paragraph and within 14 days after the delay occurs the Contractor …

Clause 35.5

Amend line 49 (page 28):

inclement weather CONDITIONS WHICH DIFFER FROM THE CONDITIONS STATED IN THE CONTRACT OR IN THE ABSENCE OF SUCH STATEMENT WHICH DIFFER MATERIALLY AND SUBSTANTIALLY FROM THOSE CONDITIONS WHICH
SHOULD REASONABLY HAVE BEEN ANTICIPATED BY AN EXPERIENCED AND COMPETENT CONTRACTOR.

Amend line 23 (page 29)

Completion regard shall NOT be had to –

Amend “28 days” in lines 33, 35 and 44 to “14 DAYS”.

Between lines 38 and 39 (page 29) add new paragraph

THE CONTRACTOR SHALL NOT BE ENTITLED TO ANY PAYMENT ARISING FROM THE GAINING OF AN EXTENSION OF TIME OVER AND ABOVE ANY PAYMENT TO WHICH THEY ARE ENTITLED UNDER THE CONTRACT FOR THE EVENT THAT HAS CAUSED SUCH EXTENSION OF TIME.

Amend line 42 of 35.5 (page 29):

for any reason AND THERE SHALL BE NO PAYMENT TO THE CONTRACTOR BECAUSE OF THE GRANTING OF SUCH EXTENSION OF TIME.

Add new paragraph between lines 46 and 47:

THE DISCRETION GIVEN BY THIS CLAUSE TO THE SUPERINTENDENT IS WHOLLY FOR THE BENEFIT OF THE PRINCIPAL, AND THE SUPERINTENDENT IS NOT REQUIRED TO EXERCISE DISCRETION FOR THE BENEFIT OF THE CONTRACTOR.

Clause 36 Amend by adding between lines 22 and 23, a new paragraph:

UNDER NO CIRCUMSTANCES SHALL PAYMENT FOR SUCH DELAYS OR DISRUPTION EXCEED THE RATE AGREED UPON ELSEWHERE IN THE CONTRACT.

Clause 41 Amend line 44:

in determining the value of Day Work WHERE THE CONTRACT DOES NOT INCLUDE RATE(S) FOR DAYWORK regard shall be had to ….

Amend line 7, (page 33):

EXCEPT WHERE NOTED OTHERWISE IN THE CONTRACT THE amounts payable for Daywork, etc.

Clause 42 Amend line 27:

Clause 44.6, amounts paid under the Contract and amounts IN THE OPINION OF THE SUPERINTENDENT otherwise due from the ….

Clause 46 Amend lines 40 and 41:

unless within 42 days AFTER THE DIRECTION OR APPROVAL IS GIVEN TO THE CONTRACTOR, the Contractor has given to the....