# **ADJUDICATION**

## **UNDER THE**

# **CONSTRUCTION CONTRACTS (Security of Payments) Act 2004 NT**

# IN THE MATTER BETWEEN:

[redacted] (Applicant)

**AND** 

[redacted] (Respondent)

BY

**Jaswant S Deo (Adjudicator)** 

17 August 2022

IAMA Matter No: 81331

# **DETAILS OF PARTIES**

[redacted]
The Respondent:
[redacted]

The Applicant

## ADJUDICATOR'S DETERMINATION

I, Jaswant S Deo, the appointed adjudicator, determine that for the reasons set out in Schedule A to this determination:

- (i) Principal ("PRI") shall pay to Contractor ("CON") the sum of \$199,661.32 ex GST.
- (ii) interest of \$22,582.13 shall be payable in respect of payments to date.
- (iii) Each party shall bear its own costs and the costs of the adjudication shall be shared equally between the parties. The costs of the adjudication are set out in Schedule B.
- (iv) If full payment is not made within 14 days then in addition PRI shall pay simple interest at the rate of 18%, pursuant to item 30 of the contract at the date of this determination, on any amount outstanding for each day thereafter until such time it is paid.

Jaswant S Deo Registered Adjudicator 47 17 August 2022

# SCHEDULE A REASONS

#### INTRODUCTION

- 1. The applicant, [redacted] ("CON") is a company which entered into a contract, known as [project details redacted], with the Principal, [redacted] ("PRI") to construct "Works under Contract" ("WUC") in Palmerston, Northern Territory. The purpose of the contract was the construction of the entire civil works associated with the sub-division of [site details redacted].
- 2. The initial contract value was the lump sum of \$438,819.95 excluding GST and various provisional quantities and prime cost sums. (All amounts referred to in this adjudication are exclusive of GST unless otherwise stated). The contract. was an amended AS4000-1997, executed on 9 Oct 2020. The Date for Practical Completion was stated as 20 November 2020. Practical Completion was reached on 9 August 2021.
- 3. On 17 June 2022 CON issued a payment claim, as defined under the Construction Contracts (Security of Payments) Act 2004 ("Act"), entitled "Progress Claim No.6" for the amount of \$273,776.38. This included an amount claimed in Progress Claim No.5 of \$172,260.71 which had not been paid, but not referred to adjudication.
- 4. The consultants [redacted], acting as designers of the works also acted as Superintendent. On 30 June 2022 the Superintendent's Representative, wrote rejecting the entire claim.
- 5. In consequence a payment dispute as defined by s8(a)(i) of the Act, arose.
- CON sought adjudication of the payment dispute and made an application to Resolution Institute) on 8 July 2022.

#### APPOINTMENT OF THE ADJUDICATOR

- 7. On 13 July 2022 I, Jaswant Singh Deo, an adjudicator registered in Northern Territory, was appointed as the adjudicator by the Resolution Institute (RI) Australia.
- 8. I considered that I had no material personal interest in the payment dispute concerned or in the construction contract under which the dispute had arisen or in any party to the contract. On 15 July 2022 I wrote to the parties confirming that I saw no conflict of interest as described in s31 of the Act. Neither party raised any objection to my appointment.

#### SUBMISSIONS FROM THE PARTIES

- 9. Following appointment, I received from Resolution Institute digital copies, all in PDF format, of files prepared by CON containing:
  - (i) A- DGM Adjudication Application Final
  - (ii) B- Contract EXECUTED
  - (iii) C- Payment Claim no6
  - (iv) D- Payment Certificate
  - (v) E- [redacted] Declaration
  - (vi) F- Authorities
- 10. On 28 July 2022 I received the response via email comprising:
  - (i). Document containing the response in PDF format.
- On 28 July 2022 CON requested permission to submit further information which I granted on 29 July 2022.
- 12. On 30 July 2022 I received additional submissions via email from CON in PDF format.
- 13. On 2 August 2022, for Procedural Fairness, I gave PRI the opportunity to submit any further information.
- 14. On 3 August 2022 I received additional information via email from PRI in PDF format.
- 15. On 6 August I wrote to both parties seeking Clarification 1 in relation to:
  - Approved Variations.
  - Bond/Bank Guarantee of \$150,000.00.
  - Connection of [redacted] to this adjudication matter.
- 16. Later, on 6 August 2022, I wrote to CON and copied that correspondence to the PRI, seeking Clarification 2 in relation to
  - Price breakdown pertaining to Payment Claim 6 Disruption.
  - Further Information pertaining to Variations 3,5 and 8.
- 17. On 8 August 2022, I received responses to Clarifications 1 and 2 from both parties.
- 18. On 9 August 2022, I wrote to both parties and a copy to the NT Registrar advising that in accordance with s33(1)(2B), I gave notice that I would extend the prescribed time by an additional 5 working days in the making of a determination.

#### JURISDICTION

- 19. The adjudicator must dismiss an application without making a determination on the merits, in the following circumstances:
  - (i) If there is no "payment claim" as defined in s7A of the Act or if there is no "payment dispute" as defined in s8.
  - (ii) In accordance with s33(1)(a)(i), if the contract concerned is not a "construction contract" as defined in the Act.
  - (iii) In accordance with s33(1)(a)(ii), if the application has not been prepared and served in accordance with section 28 of the Act.
  - (iv) In accordance with s33(1)(a)(iii), if an arbitrator or other person or court or other body makes an order, judgement or other finding about the dispute that is the subject of the application.
  - (v) In accordance with s33(1)(a)(iv), if the adjudicator is satisfied that it is not possible to fairly make a determination because of the complexity of the matter or the prescribed time and any extension thereof is insufficient.
- 20. If none of these circumstances apply then the adjudicator must determine, on the balance of probabilities, whether any party to the payment dispute is liable to make a payment and, if so, the amount of the payment and the date by when it must be paid.
- 21. PRI submitted that no valid payment claim was made under the Act and that the adjudicator has no jurisdiction. I deal with that below. No other submissions in respect of jurisdiction were made and I am satisfied that no other jurisdictional issue arises.

#### No Payment Claim

- 22. PRI claims that I should dismiss the application under s33(1)(a)(ii) on the basis that the application has not been prepared and served in accordance with s28. An application can only be served under s28 where a payment dispute has arisen.
- 23. PRI further claims that CON's progress claim number 6 is a not valid payment claim, therefore there is no payment dispute and there can be no application complying with s28.

- 24. I disagree with those assertions made by PRI in para 22 and 23 above primarily due to the fact that [redacted] who was acting as the Superintendent responded to Payment Claim 6 on 30 June 2022 and recognised it as a legitimate payment claim. It went further to explain reasons for rejecting Payment Claim 6.
- 25. Based on this I am satisfied that there is a payment claim which is Payment Claim 6 and a dispute has arisen due to rejection by [the Superintendent].
- 26. Prior to the amendments to the Act in February 2020 any claims made within previous payment claims which were disputed but not adjudicated could not be repeated within a payment dispute regarding a later claim. With the amendments to the Act, and with reference to item (b) of the definition of payment claim within s7A of the Act, there is nothing to prevent a claim being repeated and adjudicated in a subsequent claim so long as it has not been adjudicated previously. Since no application has been made for adjudication of any of the previous payment disputes, or any matters within them, there is nothing to prevent all the matters within the previous disputed claims from being adjudicated so long as they are the subject of a payment dispute arising from Payment Claim 6.
- 27. In summary, I find I have jurisdiction to adjudicate this matter.

#### **MERITS**

## **OUTSTANDING MONIES FROM PROGRESS CLAIM 5**

- 28. CON submitted Payment Claim 5 on or about 24 September 2021, the total value of the claim was:
  - \$153,768.06 with an additional sum of \$23,597.95 for variations and a deduction of \$40,000.00 (ex GST) for Liquidated Damages and \$5,105.40 for [PRI] Works. Leaving a balance of \$132,260.61 as payable to CON.
- 29. On 22 October 2021, [the Superintendent] sent PRI Payment Claim 5 Certification Revision 3 whereby it recommended PRI to arrange payment of \$128,067.28. There was no further information supporting this figure and I am unable to ascertain how this figure was derived. In that letter, [the Superintendent] also indicated that the Liquidated Damages figure should have been for \$65,000.00 and a further deduction of \$2,709.94 for mulch bunds deduction. This was later relayed to CON on 29/10/2022 via email.
- 30. Later, on 29 October 2021, [the Superintendent] sent another email to CON requesting it to disregard email, regarding Payment Claim 5 Certification, sent earlier that day as PRI and [the Superintendent] were revising the claim and reassessing the Liquidated Damages.

- 31. On 5 November 2021, [the Superintendent] sent an email to CON advising that the Liquidated Damages has been reduced from \$65,000.00 to \$59,000.00 based on considering 7 (public Holidays) and 5 (Covid-19 lockdown days).
- 32. On 8 November 2021, CON sent email to [the Superintendent] advising that it would agree with \$56,000.00 Liquidated Damages to be deducted from Progress Claim 5.
- 33. Later, on 8 November2021, [the Superintendent] responded by email where it had written in 'red' text "Noted. The \$56,000.00 in total for LD's has been agreed by the principal. This will be amended on the revised certificate."
- 34. Payment Claim 5 therefore is not disputed based on agreement by CON to be liable for Liquidated Damages of \$56,000.00.
- 35. In summary, the amount payable and agreed by PRI for Payment Claim 5 (as per Clarification 1 received on 8 August 2022) is:

-	Progress Value Summary		
	Section 1.00 - Site Preliminaries	\$	26,213.75
	Section 2.00 - Earthworks	\$	21,412.16
	Section 3.00 - Drainage	\$	23,801.49
	Section 4.00 - Water	\$	41,805.36
	Section 5.00 - Sewer	\$	190,701.54
	Section 6.00 - Electrical & Comms	\$	118,258.03
	Section 7.00 - Miscellaneous PC	\$	52,772.78
	TOTAL CONTRACT VALUE	\$	474,965.11
	Section 8.00 - Variations Additions	\$	46,565.00
	Section 9.00 - Agreed Liquidated Damages	\$	-56,000.00
	Section 10.00 – Work performed by Others	\$	- 5,105.40
	Varied Contract Sum	\$	460,424.71
	Retention Money (5 %)	\$	-23,748.26
	ACTUAL PAID to PROGRESS CLAIM 4	\$	-320,419.26
	PAYABLE FOR PAYMENT CLAIM 5 \$	116	,257.19 ex GST

## **DISRUPTION CLAIM 1 PAYMENT CLAIM 6**

- 36. The original date for Practical Completion was 20 November 2020.
- 37. An Extension of Time (EOT) was however accepted by PRI according to email dated 25 February 2022 from [redacted], the Principal's representative, to [redacted], the Contractor's representative.

- 38. In that email PRI stated to CON among other things:
  - If you are not able to reach PC (which I take meaning Practical Completion) by the date 5 March 2021, then the Principal will request that the Superintendent determine the value of Liquidated Damages retrospectively, considering all approved EOT's.
- 39. Based on the statement from PRI in para 38 above, it shows that at least one EOT was submitted by CON and accepted by PRI which approved the EOT from 20 November 2020 to 5 March 2021.
- 40. There is also an email dated 23 November 2020 from [the Superintendent] to CON as follows:
  - Good Afternoon [redacted]
     Please find attached IFC drawings for the sewer at Lot [redacted].
     Can you please confirm the variation price for the revised sewer as previously noted?

[redacted] Civil Engineer

Regards,

- 41. By way of para 40 above, it appears there has been some agreement for an EOT because the emailed referred to was dated 23 November 2020 which is 3 days after the original Practical Completion date.
- 42. During the works, on 11 January 2021, CON found an existing water main impeding the installation of the sewer main which was apparently not shown on the drawings supplied. [The Superintendent] was apparently notified.
- 43. On 19 January 2021, Power Water Corporation ("PWC") who, owned the water main advised CON that it was in discussions with the [the Superintendent] and that it had submitted options to deal with the re-routing of the water main for [the Superintendent's] review.
- 44. On 10 February 2021, [the Superintendent] issued revised drawings for the sewer with various levels that required removal and re-installation of some sections.
- 45. On 11 February 2021, PWC requested [the Superintendent] to stop work until the sewer design was resolved. [The Superintendent] then instructed CON to relocate the sewer to a shallower depth. [The Superintendent] issued revised drawings for the sewer with different levels which caused re-work for CON.
- 46. I accept that there are inconsistencies with references to exhibits in CON's representative's Statutory Declaration, but that on its own does not mean that it should be dismissed entirely. It is common knowledge that the discovery of the water main had caused delays.

- 47. The question arises whether those delays were communicated by CON to PRI in accordance with Clause 34.2 of the contract. If so, was it in accordance with Clause 34.5 of the contract and is CON entitled to delay costs?
- 48. As stated earlier in para 37, 38 and 39 an EOT had been issued whereby the Practical Completion was changed from 20 November 2020 to 5 March 2021 without any supporting documentation and a precedence had been set that an official notification of EOT to PRI in accordance with Clause 34.2 of the contract may not be necessary.
- 49. PRI accepted and repeated accepting EOT's based on the official programme submitted by CON as shown in email dated 25/02/2021 from [redacted] (PRI) to [redacted] (CON)
  - The first acceptance of an EOT was based on receipt of Official Programme on 29 January 2021 indicating a Practical Completion date of 2 February 2021.
  - The second acceptance of an EOT was based on receipt of updated programme on 1 February 2021 indicating a Practical Completion of 26 February 2021.
  - The third acceptance of an EOT was undated but indicated a Practical Completion of 5 March 2021.
  - The fourth request for an EOT was issued on 25 February 2022 seeking approval for Practical Completion to 19 March 2022 which was rejected.
- 50. From the sequence of events stated in para 49 above, it does show a pattern of request and acceptance of EOT's and on the balance of probabilities, the absence of any further notification or justification as stated in clause 34.2 of the contract from CON for an EOT does not preclude it from claiming costs on delays.
- 51. Furthermore, considering that PWC, the party that was rectifying the matter associated with the discovered water main, continued to carry out the works without any control from CON, it is unreasonable for CON to be liable for any delays caused by PWC. It is therefore reasonable for CON to request a further EOT until such time [the party that was rectifying the matter associated with the discovered water main] has completed the rectification and CON could continue its obligation to the WUC.
- 52. I therefore accept 19 March 2022 as the day for the Practical Completion.
- 53. It is common ground that the discovery of the water pipe had caused delays and disruptions whereby the work and stoppages around the discovered pipe amounted to a variation as stated in Clause 36.1 of the contract.
- 54. CON was required to provide a cost estimate as soon as practicable according to Clause 36.2 and did not do that until the end of the project. That does not invalidate the claim. The Superintendent was required to price a variation under Clause 36.4 of the contract but did not.

- 55. Again, there appear to be non-compliances with the contract by both parties when it comes to Variations and therefore, on balance of probabilities, CON is entitled to submit delay claims up to and including 19 March 2021.
- 56. I now proceed to costs associated with DISRUPTION CLAIM 1 as provided by CON in response to my Clarification 2 sent on 6 August 2022 with a response received on 8 August 2022.
- 57. These costs included:
- a). Delay upon Initial issue being found on site:
  - 18 Hours 25 Ton Excavator with erkat \$250/hr. From 11/01/2021 To 12/01/2021. TOTAL

COSTS: \$4,500.00

- 18 Hours – 12 Ton Excavator - \$140/hr. From 11/01/2021 to 12/01/2021.

TOTAL COSTS: \$2,520.00

- 18 Hours – 5 Ton Excavator - \$130/hr. From 11/01/2021 to 12/01/2021.

TOTAL COSTS: \$2,340.00

- 36 Hours – Labour - \$75/hr. From 11/01/2021 to 12/01/2021.

TOTAL COSTS: \$2,700.00

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TOTAL (a): \$12,060.00 ex GST

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- b). Delay upon initial issue being found on site and further investigation to enable assessment:
  - 18 Hours Sucker Truck- \$280/hr. From 11/01/2021 To 12/01/2021.

TOTAL COSTS: \$5,040.00

- 18 Hours – 5 Ton Excavator - \$130/hr. From 11/01/2021 to 12/01/2021.

TOTAL COSTS: \$2,340.00

- 18 Hours – Labour - \$75/hr. From 11/01/2021 to 12/01/2021.

TOTAL COSTS: \$1.350.00

 40 Hours - Management includes attendance of meetings - \$150/hr. From 11/01/2021 to 19/03/2021

TOTAL COSTS: \$6,000.00

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TOTAL (b): \$14,190 ex GST

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- c). Delay due to construction down time, stop/start delays, further works due to not being able to do a continuous construction 3 weeks.
  - 162 Hours 12 Ton Excavator \$140/hr. From 11/01/2021 to 19/03/2021.
  - TOTAL COSTS: \$22,680.00
  - 162 Hours 5 Ton Excavator \$130/hr. From 11/01/2021 to 19/03/2021.

TOTAL COSTS: \$21,060.00

162 Hours – Labour - \$75/hr. From 11/01/2021 to 19/03/2021.

TOTAL COSTS: \$12,150.00

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TOTAL (c): \$55,890.00 ex GST

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58. The Grand TOTAL of delay costs associated with DISRUPTION CLAIM 1 according to CON is therefore \$82,140.00.

- 59. PRI had the opportunity upon receipt of Payment Claim 6 to either accept or reject the claim. If PRI chose to reject, it had the opportunity to provide its version of the costs and rates of machinery and labour associated with DISRUPTION CLAIM 1. Since there was none provided, I can only rely on what CON has supplied which I am satisfied are reasonable rates.
- 60. Be that as it may, I have concerns with the calculations provided by CON.
- 61. CON claims a 5 Ton Excavator three times:
  - First in para 57(a), then in para 57(b) and finally in para 57(c) above.
- 62. I cannot comprehend that 3 x 5 Ton Excavators would be needed at the same time, between 11 January to 12 January 2021 attending to the same Water Main issue.
- 63. The same can be said for the 12 Ton Excavator and the labour associated with it.
- 64. It appears there seem to be a double up or a triple up in the figures provided by CON in the price breakdown as stated in para 57 above.
- 65. Based on that analysis, the correct costs associated with DISRUPTION CLAIM 1 should be:
  - 18 HOURS 25 Ton Excavator with erkat \$250/hr. From 11/01/2021 to 12/01/2021.

TOTAL COSTS: \$4.500.00

18 Hours – Sucker Truck- \$280/hr, From 11/01/2021 To 12/01/2021.

TOTAL COSTS: \$5.040.00

- 40 Hours - Management includes attendance of meetings - \$150/hr. From 11/01/2021 to 19/03/2021.

TOTAL COSTS: \$6,000.00

- 162 Hours – 12 Ton Excavator - \$140/hr. From 11/01/2021 to 19/03/2021.

- TOTAL COSTS: \$22,680.00

- 162 Hours – 5 Ton Excavator - \$130/hr. From 11/01/2021 to 19/03/2021.

TOTAL COSTS: \$21,060,00

- 162 Hours – Labour - \$75/hr. From 11/01/2021 to 19/03/2021.

TOTAL COSTS:	\$12,150.00

66. Based on the information submitted by both parties and on balance of probability I am satisfied that CON is due for payment for DISRUPTION CLAIM 1 to the value of \$71,430.00.

GRAND TOTAL COSTS associated with DISRUPTION CLAIM 1: \$71,430.00 ex GST

## **DISRUPTION CLAIM 2 PAYMENT CLAIM 6**

- 67. CON claims that DISRUPTION CLAIM 2 PAYMENT CLAIM 6 is for various level changes and redesign for sewer line running along [redacted] whereby PWC identified an issue with pit 113-10A placement and requested it be moved. This prompted a new location and road crossing location moved slightly. Another level change had to be made to accommodate with actual levels in the existing pit.
- 68. Subsequently, according to CON, this raised 8 variations as follows:
  - Variation 1 for sewer alignment for \$18,202.95.
  - Variation 2 for LV Conduiting for \$6,584.40.
  - Variation 3 for the revised location of the Road Crossing and manhole 113-10A for \$16,309.25.
  - Variation 4 for Water Mains Works for \$9,346.73.
  - Variation 5 for the excavation and relay of sewer laid before a level change for \$4,750.00.
  - Variation 6 for additional mulch for \$6,337.20.
  - Variation 8 for asphalt patching the road due to redesign for \$3,870.24.
- 69. The total variation claim from CON was \$65,400.77
- 70. Upon reviewing the variation costs, PRI agreed to the following values:
  - Variation 1 \$18,202.95.
  - Variation 2 \$6,584.40.
  - Variation 3 \$3,916.94.
  - Variation 4 \$9,346.73.
  - Variation 5 \$0.00.
  - Variation 6 \$6,337.20.
  - Variation 8 \$2,176.78.
- 71. The total variation approved by PRI was \$46,565.00.
- 72. The difference in the quantum of variations was communicated to CON by [the Superintendent] in writing on 4 March 2021 for variations 3 and 5 and 3 June 2021 for variation 8.

- 73. The approved variations were also reflected on Payment Claim 5.
- 74. There was no dispute claim made by CON.
- 75. CON has now through DISRUPTION CLAIM 2 PAYMENT CLAIM 6 requested payment for the balance of Variations 3,5 and 8 which is \$18,835.77..
- 76. There was nothing communicated to PRI regarding the disputed amount. In fact, Payment Claim 5 from CON clearly displayed the figures suggested by PRI and hence could be construed as an agreement.
- 77. Furthermore, CON is out of time to issue any notices of dispute on this matter.
- 78. I therefore dismiss CON's claim for \$18,835.77.

### LIQUIDATED DAMAGES

- 79. I do not intend to get too much into the details of the Liquidated Damages, suffice to say that and agreement was reached between PRI and CON and is evidenced in various correspondence in the submissions especially the email from CON to [the Superintendent] on 8 November 2021.
- 80. I do not except CON's claim that:
  - "The [CON representative's] Declaration indicates that a factor that played a big part in the Applicant's acceptance of the Liquidated Damages claim was the Respondent's promise that the amounts of money retained in Payment Claim No 5 would be released immediately."
  - I fail to see any documentation that supports this and hereby dismiss CON's claim for the Liquidated Damages of \$56,000.00 to be returned to CON.

## RETENTION MONIES and SECURITY BOND

- 81. PRI claims that there is a major defect associated with the sewer works where if rectification is required to be done, the estimate is \$150,000.00.
- 82. On that basis PRI requested a Security Bond in the form of a Bank Guarantee or Retention from CON.
- 83. This equates to approximately 32% of the contract value.
- 84. There does not seem to be any reference in the contract that allows PRI to arbitrarily apply a retention or security bond of 32%.
- 85. In fact, item 13b states:

- Amount or maximum percentage of contract sum is 5% until period specified in clause 37.
- 86. There is no provision in the contract for a security bond of \$150,000.00 and I therefore agree PRI is not entitled to withhold any security more than 5% of the contract.
- 87. I therefore determine that the maximum amount of security that PRI may withhold is \$23,748.26.
- 88. Considering Certificate of Practical Completion was issued by [the Superintendent] on behalf of PRI on 23 November 2021, according to item 13f, PRI is obliged to release 50% of the amount of retention held.
- 89. This equates to \$11,874.13 which is amount to be released to CON after Practical Completion.
- 90. In summary, PRI is entitled to:
  - Retain \$11,874.13 ex GST from the contract until the end of the Defects Liability Period.

#### SUMMARY

- 91. In summary I find:
  - PRI is liable to pay CON for the outstanding monies of the contract to the value of \$116,257.19 ex GST for Outstanding Monies from Payment Claim 5
  - PRI is liable to pay CON \$71,430.00 ex GST for Disruption 1 Payment Claim 6.
  - PRI is not liable to pay CON for Disruption 2 Payment Claim 6.
  - CON is liable to pay PRI for Liquidated Damages of \$56,000.00
  - CON is not liable for providing Security Bond to the value of \$150,000.00 for the Defects Liability Period. Furthermore, considering the Certificate of Practical Completion was issued on 23 November 2021 PRI must release a further \$11,974.13 of retention monies and withhold \$11,974.13 which is 50% of the retention monies until the end of Defects Liability Period.
- 92. Therefore, the total amount to be paid by PRI to CON is \$199,661.32.

#### **INTEREST**

- 93. Interest rate is based on clause 37.5 of the contract which states:
  - Interest in Item 30 shall be due and payable after the date of default in payment.

Item 30 of the contract does not stipulate any rates and if nothing stated the interest rate will be 18% per annum.

- 94. Clause 37.2 of the contract states that:
  - -within 21 days after the Superintendent receives the progress claim, pay the Contractor the balance of the progress certificates after deducting retention monies.
- 95. The amount of \$116,257.19 was due on or about 21 days after Payment Claim 5 dated 24 September 2021, the interest accrued up to 16 August 2022 is \$19,316.58.
- 96. The amount of \$71,430.00 was due on or about 21 days after Payment Claim 6 dated 17 June 2022, the interest accrued up to 16 August 2022 is \$1,483.55.
- 97. The amount of \$11,974.13 was due on or about 21 days after receipt of Certificate of Practical Completion dated 24 September 2021 is \$1,782.00.
- 98. Therefore, total interest payable by PRI is \$22,582.13.

#### **COSTS**

- 99. CON seeks its costs of the adjudication in accordance with s36 of the Act. I see no frivolous or vexatious conduct on the part of, or unfounded submissions by PRI, I determine that the parties to the payment dispute bear their own costs in relation to the adjudication
- 100. The costs of the adjudication are set out in Schedule B.

# **SCHEDULE B**

# **COSTS OF ADJUDICATION**

The costs of the adjudication are:					
Adjudicators fees – 30.0 hrs @ \$250.00 per hour	\$7,500.00				
GST	\$750.00				
Total inclusive of GST	\$8,250.00				
Each party has deposited 50% of the above figure.					