

Adjudicator's Determination

Pursuant to the Northern Territory of Australia Construction Contracts (Security of Payments) Act 2004

Adjudication 18-09-02

1. I, Brian J Gallagher, as the Appointed Adjudicator pursuant to the *Construction Contracts (Security of Payments) Act*, determine that the Combined Adjudicated Amount for the Applicant in respect of the Applications served 12 February 2009 is \$424,373.79 including GST.
2. The combined interest due and payable to 12 March 2009 is \$10,237.06 and interest continues to accrue at the rate of \$122.08 per day until payment is made.
3. The Adjudicator's costs are to be shared equally between the Applicant and the Respondent.

Appointment of Adjudicator

4. I was appointed as Adjudicator by the Law Society of the Northern Territory 17 February 2009. The parties were notified of the appointment the same day.
5. The Adjudicator has been properly appointed in accordance with the *Construction Contracts (Security of Payments) Act 2004*.

Documents Regarded in Making the Determination

6. In making the determination I have had regard to the following.
 - 6.1. The provisions of the *Construction Contracts (Security of Payments) Act 2004. (as in force 8 January 2008)*
 - 6.2. The provisions of the *Interpretation Act. (as in force 17 May 2007)*
 - 6.3. Application in relation to Progress Claim No. 4 from the Applicant dated 11 February 2008.
 - 6.4. Application in relation to Progress Claim No. 5 from the Applicant dated 11 February 2008.
 - 6.5. Response in relation to Progress Claim 4 from the Respondent dated 26 February 2009
 - 6.6. Response in relation to Progress Claim 5 from the Respondent dated 26 February 2009

The Adjudication Applications

7. The Adjudication Applications were served on the Respondent on 12 February and consists of the following documents;
 - 7.1. Adjudication Application for Progress Claim 4, and
 - 7.2. 9 Attachments.
 - 7.3. Adjudication Application for Progress Claim 5, and
 - 7.4. 8 Attachments
 - 7.5. A Section 34(3)(b) request for the two applications to be adjudicated simultaneously by the appointed adjudicator

The Responses

8. The Responses to the Applications were served on the Adjudicator and the Applicant on 26 February 2009, within the period defined by the Act, and consist of the following documents;
 - 8.1. Response for Progress Claim 4 document, and
 - 8.2. 10 Attached Sections
 - 8.3. Response for Progress Claim 5 document, and
 - 8.4. 11 Attached Sections

Jurisdiction

9. The dispute arises out of a sub-contract between the parties for the Applicant to provide steel pipe fabrication services to the Respondent in accordance with the sub-contract pricing schedule.

10. The works and arrangements between the parties meet the definitions of a construction contract and construction work as defined in Section 6 of the Act. The work is on a site in the Northern Territory and the contract is therefore a construction contract according to the Act.
11. I have had no prior association with either party and hence and no conflicts of interest to declare.
12. The parties have provided no advice of the dispute being “subject of any other order, judgment or other finding”.
13. On the balance of probabilities, I determine the Adjudicator has jurisdiction to adjudicate the disputes in accordance with the Act.

Simultaneous Adjudication of the Applications

14. The Application specifically seeks the Respondent’s agreement to simultaneous adjudication.
15. The Adjudicator also sought confirmation of such agreement from the Respondent on 18 February 2009.
16. The Respondent has not directly replied to either of these two specific requests. He has simply provided responses to both claims.
17. On the balance of probabilities this is taken as tacit agreement to the request and the adjudications have proceeded as provided by Section 34(3)(b) of the Act.

Payment Claim No 4

18. The payment claim referred to in the Application is dated 24 October 2008. The amount claimed is \$160,873.65 exclusive of GST.
19. The summary details of the 24 October 2008 claim are:

| | |
|---------------------------------------|---------------------|
| Outstanding contract value as awarded | \$59,612.60 |
| Claim for variations | <u>\$101,261.05</u> |
| Net Claim | \$160,873.65 |

Issues to be Determined in relation to Progress Claim 4

20. The Respondent contests the validity of the claim as a claim under the contract.
21. The respondent contests the validity of the Application under the Act
22. The Respondent contests the value of contract work as awarded.
23. The Respondent contests the value of the claim for variations.

24. The due date for the payment of any legitimate claim is to be determined along with any interest due.

Validity of Progress Claim 4

25. Clause 9.3 of the Special Conditions of Sub-contract nominates the conditions precedent to a valid claim under the contract – in particular;
- Clause 9.3 (a) A sub-contract reconciliation noting, the subcontract sum, a break up of the subcontract sum into elements, a list of variations etc.
- Clause 9.3 (b) Statutory declarations that all necessary payments to suppliers, service providers and employees have been made.
- Clause 9.3 (c) Evidence of required insurances.
- Clause 9.3 (d) Reasonable documentary evidence of satisfactory performance of work under the contract.
26. Progress claim No 4 was submitted to the Respondent on the spreadsheet provided to the Applicant by the Respondent. This satisfies Clause 9.3 (a) as interpreted by the parties.
27. The claim is accompanied with the relevant Statutory declarations and hence satisfies Clause 9.3 (b)
28. Evidence of insurances is provided in accordance with Clause 9.3 (c)
29. There is no documentary evidence of satisfactory performance under the contract provided with the claim. However the purpose of the claim is to provide the contractor with the opportunity to make his own assessment of work satisfactorily completed. Moreover this claim is alleged by the Applicant to comply in every respect with the claims format and procedure accepted by the Respondent for claims 1, 2 and 3.
30. On the balance of probabilities I determine Progress Claim No 4 to be a valid claim for payment under the contract.

Validity of Application - Progress Claim 4

31. The Annexure to the General Conditions of Sub-contract requires progress claims to be submitted on the 25th day of each month. Special Conditions Clause 9.5 requires the contractor to notify the subcontractor of the amount assessed as due within 10 working days. The subcontractor then has 7 calendar days to provide a tax invoice which is to be backdated to the date of the progress claim. SC Clause 9.6 provides that the Contractor is to make the payment 7 days after the end of the following month to the nearest working day.
32. The definition of “working day” in SC Clause 2 refers to the project working on a roster of 28 calendar days on and 9 calendar days off. This does not help define the allowable payment and approval periods as provided by the contract. To determine earliest specific dates I have simply adopted calendar days.

33. Progress Claim 4 was submitted 24 October 2008. The Contractor's assessment was then due 3 November 2008 with Sub contractor's invoice to be submitted by 10 November 2008. This means the earliest payment date would have been 7 December 2008.
34. The Respondent's assessment of Progress Claim 4 was provided 15 December 2008. Pursuant to Section 8 of the Act a payment dispute in relation to Progress Claim 4 existed 7 December 2008 with the Application served 12 February 2009 some 67 days later.
35. On the balance of probabilities I determine the Application for adjudication of Progress Claim No 4 payment dispute to be a fully compliant Application under the Act

Value of Sub-Contract Pricing Schedule Work – Progress Claim 4.

36. The Applicant claims a value of Subcontract Pricing Schedule (SPS) Work in Progress Claim 4 of \$433,478.75. This equates to 96.8% of the value with 95.8% of the contract period expended. At a simplistic level this appears reasonable
37. By correspondence dated 15 December 2008 the Respondent values the SPS work in Claim 4 at \$398,298.95.
38. In a second letter dated 15 December 2008 the Respondent advises it has achieved practical completion albeit 1 week late due to the Applicant's non performance default under the sub contract. This letter follows on correspondence dated 26 September where the Respondent estimates the performance delay of the Applicant to be in the range 2 – 5 weeks. Whilst the correspondence of 15 December does not advise the actual date of Practical Completion on the head contract, the tenor of the correspondence suggests a date circa 7 December 2008. That being the case it validates the estimate of the performance delay of 5 weeks.
39. The subcontract was awarded 10 June 2008 with practical completion scheduled for 30 October 2008. In simple terms then, assuming a typical S-curve for cash flow, the SPS work would have required approximately 4 equal payments of about \$112,000 each. However with the 5 week performance delay this would have altered to 5 payments of about \$90,000 each. Hence SPS work on Progress Claim 4 would be likely to be in the vicinity of \$360,000. This value is just over 10% less than the value as assessed by the Respondent.
40. On the balance of probabilities then I determine the value of SPS work for Progress Claim 4 to be \$398,298.95.

Value of Variations – Progress Claim 4.

41. The Applicant claims a value of Variations in Progress Claim 4 of \$101,261.05.
42. In his assessment dated 15 December 2008 the respondent values Variations in Progress Claim No 4 at \$37,400.00

43. The contract at Special Conditions Clause 5.0 provides two important provisions in relation to Variations.
- SC Clause 5.1 The subcontractor must obtain a written Variation Order duly signed by the Contractor's Representative before the subcontractor can be entitled to claim extra payment for a variation.
- SC Clause 5.5 For work claimed as a variation the subcontractor must prepare dayworks sheets and forward them to the Contractor for daily authorisation.
44. The Applicant has provided evidence of Respondent authorisation for Var-01 only.
45. The Respondent indicates approval for Var-01 to Var-09 in his assessment provided with his correspondence dated 15 December 2008. This letter is labeled as Attachment 1 in the Progress claim 4 Response. Attachment 2 of that response is titled Variation Register. The Register provides a different set of variation approvals and based on the inclusion of 8 negative variations would appear to have been prepared or compiled later than 15 December 2008.
46. In so far as there is no evidence of signed change orders I can only assess variations as due and payable where there is some other evidence of clear price agreement between the parties. Such agreement only exists for Var-01 to Var-09 as at 15 December. Attachment 2 reverses approval of Var-03 and Var-04 on the basis that the work was not executed or not a variation. From a timing perspective then I am inclined to accept the Respondent's 15 December 2008 variation listing except where Attachment 2 indicates an apparent certification error.
47. It should be noted that the Response also includes 10 appended documents titled – Section 1, Section 2 and so on to Section 10. The Response makes no direct reference to these appended documents. Section 2 provides another evaluation of Progress Claim 4. Since it adds to the confusion of the Respondent's Assessment of Progress Claim 4 and the express claim of the Respondent to be reliant upon Attachments 1 and 2, the Section 2 document has not been considered further.
48. On the balance of probabilities I determine that the value of Variations due and payable on Progress Claim 4 is \$21,010.00.

Due Date and Interest – Progress Claim 4

49. As calculated at paragraph 33 the due date for payment of Progress Claim 4 was 7 December 2008. In accordance with the Annexure to the Conditions of Contract interest on late payments is set at 10.5% per annum compounded 6 monthly.
50. In order to develop a clear appreciation of the Progress claims positions of both the Applicant and the Respondent the spreadsheet in **Attachment 1** seeks to summarise the comparative positions on Progress Claims 4 and 5. It also includes the indicative payment position following Progress Claim 3.

51. The adjudicated total certified value on Progress Claim 4 is $\$398,298.95 + \$21,010.00 = \$419,308.95$. Deducting the previous total certified value from Progress Claim 3 of $\$373,866.15$ yields a certified value for Progress Payment 4 of $\$45,442.80$ plus GST = $\$49,987.08$.
52. The adjudicated value of Progress Payment 4 does not allow for any retention. This assessment is based on the Applicant's letter of 15 December 2008 where it is noted that Practical Completion on the Head Contract had been achieved and the Adjudicator's estimated date for practical completion on the sub contract is 7 December 2008. The Annexure to the conditions of contract requires return of all retention monies when practical completion is achieved. Hence post 7 December 2008 the Contractor can deduct no further retention.
53. Interest due for the period 7 December 2008 to 12 March 2009 is $\$1,366.09$ and accrues at $\$14.38$ per day until paid

Issues to be Determined in relation to Progress Claim 5

54. The Respondent contests the validity of the claim as a claim under the contract.
55. The respondent contests the validity of the Application under the Act
56. The Respondent contests the value of contract work as awarded.
57. The Respondent contests the value of the claim for variations.
58. The due date for the payment of any legitimate claim is to be determined along with any interest due.
59. The Respondent claims entitlement to contra charges due to alleged breach of the subcontract by the subcontractor.

Validity of Progress Claim 5

60. Progress Claim 5 was prepared and submitted in the same format and manner as Progress Claim 4. Similar considerations arise in relation to validity of the claim and the outcome is the same.
61. On the balance of probabilities I determine Progress Claim No 5 to be a valid claim for payment under the contract.

Validity of Application - Progress Claim 5

62. The following consideration of Application validity relies upon the interpretation of the sub-contract conditions as outlined in paragraphs 31 and 32 above.
63. Progress Claim 5 was submitted 24 November 2008. Contractor's assessment was then due 3 December 2008 with Sub contractor's invoice to be submitted by 10 December 2008. This means the earliest payment date would have been 7 January 2009.

64. The Respondent did not provide an assessment of Progress Claim 5. Pursuant to Section 8 of the Act a payment dispute in relation to Progress Claim 4 existed 7 January 2009 with the Application served 12 February 2009 some 36 days later.
65. On the balance of probabilities I determine the Application for adjudication of Progress Claim No 4 payment dispute to be a fully compliant Application under the Act.

Value of Sub-Contract Pricing Schedule Work – Progress Claim 5.

66. The Applicant claims a value of SPS Work in Progress Claim 4 of \$447,751.00. This equates to 100% of the value with the original contract period expired.
67. In the Response at Section 5 the Respondent appears to value the SPS work in Claim 5 at \$433,478.75. The Respondent does not provide total values for certification. The tabulated comments simply refer to the Applicants claim as either agreed or disputed on the basis that the Respondent alleges additional costs attributable to the Applicant.
68. As noted earlier the subcontract achieved Practical Completion on or around 7 December 2008 or within 2 weeks of Progress Claim 5 date.
69. The Respondent's rejection of the 100% completion as claimed is based solely on the assertion of pending contra charges. The contract at SC Clause 9.4 only entitles the Contractor to deduct amounts owing to the Contractor from any money otherwise due or to become due to the Subcontractor. By implication this process must involve determination of the amount due to the sub-contractor on the one hand and determination of the amounts owing to the contractor on the other hand. Both determinations must be made in accordance with the provisions of the contract. I do not accept that the contractor is entitled to withhold progress payment evaluation simply because undefined contra charges are pending. Since the Respondent has provided no alternative rationale for the disputed item valuations I am inclined to accept the Applicants figures. (Refer **Attachment 1**)
70. On the balance of probabilities then I determine the value of SPS work for Progress Claim 4 to be \$447,751.00.

Value of Variations – Progress Claim 5.

71. The Applicant claims a value of Variations in Progress Claim 4 of \$390,863.70.
72. In his Response the Respondent submits his Variation Register at Attachment 2 and states elsewhere his reliance on that attachment. The register indicates a total value of approved variations of \$65,175.99. Var-01 to Var-25 are based on estimates submitted by the sub-contractor and hence any agreement on those variation values can be construed as an agreement between the parties albeit without rigid adherence to the administrative requirements of the contract. In short where the parties indicate clear agreement I am inclined to accept the agreed values. (Refer **Attachment 1**)

73. On the balance of probabilities I determine that the value of Variations due and payable on Progress Claim 4 is \$293,216.20

Due Date and Interest – Progress Claim 5

74. As calculated at paragraph 62 the due date for payment of Progress Claim 5 was 7 January 2009. In accordance with the Annexure to the Conditions of Contract interest on late payments is set at 10.5% per annum compounded 6 monthly.
75. The adjudicated total certified value on Progress Claim 4 is \$447,751.00 + \$293,216.00 = \$740,967.20. Deducting the adjudicated total certified value of Progress Claim 4 at \$419,308.95 yields a certified value for Progress Payment 5 of \$321,658.25 plus GST = \$353,824.07. (Refer **Attachment 1**)
76. As with Progress Claim 4, I have concluded the Contractor can deduct no further retention.
77. Interest due for the period 7 January 2009 to 12 March 2009 is \$6,514.24 and accrues at \$101.78 per day until paid

Application of Contra Charges

78. The Respondent relies upon correspondence dated 26 September 2008, 24 November 2008, 9 December 2008 and 15 December 2008. In these letters the Respondent claims the Applicant is in breach of contract due to non performance under the time requirements of the contract. The Respondent advises that in the absence of any advice on suitable corrective action he will take elements of the work out of the hands of the subcontractor and arrange delivery of these works by others. The Respondent further advises intent to recover relevant costs pursuant to SC clause 9.4.
79. The letter dated 9 December 2008 provides detailed evidence of costs in relation to the works amounting to \$37,109.97 GST excl. The letter advises this amount had been deducted from monies due and payable under Progress Claim 3. (Refer **Attachment 1**). The Applicant makes no submission contesting the application of this charge.
80. In the event of default the provisions of Clause 44 of the General Conditions of Subcontract apply. I consider the notice requirements of Clause 44.3 to be satisfied by the Respondent's correspondence listed above. The Respondent claims to have exercised rights under Clause 44.4(a) and taken work out of the hands of the subcontractor. Clause 44.6 requires the Contractor's Representative to ascertain the costs incurred in completing the work and issue a certificate to the subcontractor certifying the amount of that cost. The clause also requires the Contractor to keep records of the cost in a manner similar to that prescribed in Clause 41 – Dayworks.
81. Particularly given the absence of contest from the Applicant I determine that on the balance of probabilities the Progress Claim 3 contra charge of \$37,109.97 is in accordance with the terms and conditions of the contract.

82. Other potential charges referred to in the correspondence listed above appear to be listed as negative variations on the Appendix 2 Variation Register. As the Respondent has provided no certified evidence of cost and no access to any daily records I cannot support the application of these additional contra charges to the determination.

Retention Monies

83. Neither the Applicant nor the Respondent makes mention of Retention Monies in their respective submissions. However retention monies are a key consideration of progress payments and any adjudication of progress payment disputes that failed to evaluate the consequential impact on retention monies would be manifestly incomplete.
84. As noted earlier the Contractor advises the subcontractor 15 December 2008 that he had achieved practical completion on the head contract. However this was 7 days late due to late completion by the subcontractor. Practical completion on the head contract must automatically imply practical completion on the sub contract. I have surmised on the balance of probabilities that practical completion was achieved on the sub contract on or around 7 December 2008.
85. The Annexure to the General Conditions of Subcontract provides that the contractor may deduct 5% of the value of work included in a payment certificate until the aggregate amount withheld equals 5% of the contract sum. It then states "Full Retention is released upon reaching Practical Completion".
86. The requirement for release is quite unambiguous and in effect prohibits the contractor from securing additional retention from any amounts owing. Moreover the particular wording of "is released upon reaching practical completion" implies to my mind retention monies are automatically due and payable upon reaching practical completion.
87. The chart at **Attachment 1** clearly illustrates the application of Retention Monies to Progress Claim 3. The indicated level of retention held is \$20,562.64 including GST.
88. On the balance of probabilities I determine that the \$20,562.64 held as Retention was due and payable 7 December 2009. Additionally interest due for the period 7 December 2008 to 12 March 2009 is \$591.52 and accrues at \$5.92 per day until paid.

Adjudicator's Costs

89. Clause 36 (1) of the Act requires the parties to bear their own costs.
90. Clause 36 (2) of the Act empowers the adjudicator to award costs if he is satisfied that the submissions of a party are unfounded or that the conduct of a party is frivolous or vexatious.
91. The submissions from the parties have merit on both sides and are neither frivolous nor vexatious

92. I therefore determine that adjudicator's costs are to be shared equally by the parties.

Conclusion

93. As requested I have conducted the adjudication and concluded as follows:

93.1. For the reasons set out in the Adjudication, I determine the Adjudicated Amount in relation to Progress Claim 4 for the Applicant is \$49,987.08 including GST.

93.2. The date payable is 7 December 2008. Interest due and payable to 12 March 2009 is \$1,596.16 and interest continues to accrue at the rate of \$14.38 per day until payment is made.

93.3. For the reasons set out in the Adjudication, I determine the Adjudicated Amount in relation to Progress Claim 5 for the Applicant is \$353,824.07 including GST.

93.4. The date payable is 7 January 2009. Interest due and payable to 12 March 2009 is \$8,244.58 and interest continues to accrue at the rate of \$101.78 per day until payment is made.

93.5. For the reasons set out in the Adjudication, I determine the Adjudicated Amount in relation to Retention Monies for the Applicant is \$20,562.64 including GST.

93.6. The date payable is 7 December 2008. Interest due and payable to 12 March 2009 is \$591.52 and interest continues to accrue at the rate of \$5.92 per day until payment is made.

93.7. The Adjudicator's costs are to be shared equally between the Applicant and the Respondent.

Brian J Gallagher

NT Registered Adjudicator No 18.

12 March 2009

Comparative Reconciliation of Progress Claim Submissions by Applicant, Respondent Valuations, and Adjudicator's Determination

| Item | Subcontract SPS+Varns | | Progress Claims 1 - 3 | | Claim 4 - Applicant | | Claim 4 - Respondent | | Claim 4 Adjudicator | | Claim 5 - Applicant | | Claim 5 - Respondent | | Claim 5 Adjudicator |
|------------------|-----------------------|------|-----------------------|------|---------------------|------|----------------------|------|---------------------|------|---------------------|------|----------------------|------|---------------------|
| | Amount | Qty | Amount | Qty | Amount | Qty | Amount | Qty | Amount | Qty | Amount | Qty | Amount | Qty | Amount |
| 1.1 | \$73,732.00 | 85% | \$62,672.20 | 95% | \$70,045.40 | 85% | \$62,672.20 | 85% | \$62,672.20 | 100% | \$73,732.00 | 95% | \$70,045.40 | 100% | \$73,732.00 |
| 1.2 | \$17,690.00 | 50% | \$8,845.00 | 100% | \$17,690.00 | 85% | \$15,036.50 | 85% | \$15,036.50 | 100% | \$17,690.00 | 100% | \$17,690.00 | 100% | \$17,690.00 |
| 1.3 | \$8,378.00 | 100% | \$8,378.00 | 100% | \$8,378.00 | 100% | \$8,378.00 | 100% | \$8,378.00 | 100% | \$8,378.00 | 100% | \$8,378.00 | 100% | \$8,378.00 |
| 2.1 | \$38,951.00 | 85% | \$33,108.35 | 95% | \$37,003.45 | 85% | \$33,108.35 | 85% | \$33,108.35 | 100% | \$38,951.00 | 95% | \$37,003.45 | 100% | \$38,951.00 |
| 2.2 | \$9,519.00 | 50% | \$4,759.50 | 100% | \$9,519.00 | 85% | \$8,091.15 | 85% | \$8,091.15 | 100% | \$9,519.00 | 100% | \$9,519.00 | 100% | \$9,519.00 |
| 2.3 | \$5,317.00 | 100% | \$5,317.00 | 100% | \$5,317.00 | 100% | \$5,317.00 | 100% | \$5,317.00 | 100% | \$5,317.00 | 100% | \$5,317.00 | 100% | \$5,317.00 |
| 3.1 | \$110,041.00 | 90% | \$99,036.90 | 95% | \$104,538.95 | 90% | \$99,036.90 | 90% | \$99,036.90 | 100% | \$110,041.00 | 95% | \$104,538.95 | 100% | \$110,041.00 |
| 3.2 | \$26,416.00 | 50% | \$13,208.00 | 100% | \$26,416.00 | 85% | \$22,453.60 | 85% | \$22,453.60 | 100% | \$26,416.00 | 100% | \$26,416.00 | 100% | \$26,416.00 |
| 3.3 | \$12,529.00 | 100% | \$12,529.00 | 100% | \$12,529.00 | 100% | \$12,529.00 | 100% | \$12,529.00 | 100% | \$12,529.00 | 100% | \$12,529.00 | 100% | \$12,529.00 |
| 4.1 | \$38,503.00 | 90% | \$34,652.70 | 100% | \$38,503.00 | 90% | \$34,652.70 | 90% | \$34,652.70 | 100% | \$38,503.00 | 100% | \$38,503.00 | 100% | \$38,503.00 |
| 4.2 | \$9,519.00 | 90% | \$8,567.10 | 100% | \$9,519.00 | 90% | \$8,567.10 | 90% | \$8,567.10 | 100% | \$9,519.00 | 100% | \$9,519.00 | 100% | \$9,519.00 |
| 4.3 | \$5,765.00 | 100% | \$5,765.00 | 100% | \$5,765.00 | 100% | \$5,765.00 | 100% | \$5,765.00 | 100% | \$5,765.00 | 100% | \$5,765.00 | 100% | \$5,765.00 |
| 5.1 | \$62,721.00 | 90% | \$56,448.90 | 95% | \$59,584.95 | 90% | \$56,448.90 | 90% | \$56,448.90 | 100% | \$62,721.00 | 95% | \$59,584.95 | 100% | \$62,721.00 |
| 5.2 | \$16,183.00 | 50% | \$8,091.50 | 100% | \$16,183.00 | 85% | \$13,755.55 | 85% | \$13,755.55 | 100% | \$16,183.00 | 100% | \$16,183.00 | 100% | \$16,183.00 |
| 5.3 | \$12,487.00 | 100% | \$12,487.00 | 100% | \$12,487.00 | 100% | \$12,487.00 | 100% | \$12,487.00 | 100% | \$12,487.00 | 100% | \$12,487.00 | 100% | \$12,487.00 |
| Sub-total | \$447,751.00 | | \$373,866.15 | | \$433,478.75 | | \$398,298.95 | | \$398,298.95 | | \$447,751.00 | | \$433,478.75 | | \$447,751.00 |
| VAR - 01 | \$6,080.00 | 0% | \$0.00 | 100% | \$6,080.00 | 100% | \$6,080.00 | 100% | \$6,080.00 | 100% | \$6,080.00 | 100% | \$6,080.00 | 100% | \$6,080.00 |
| VAR - 02 | \$1,910.00 | 0% | \$0.00 | 100% | \$1,910.00 | 100% | \$1,910.00 | 100% | \$1,910.00 | 100% | \$1,910.00 | 100% | \$1,910.00 | 100% | \$1,910.00 |
| VAR - 03 | \$5,720.00 | 0% | \$0.00 | 100% | \$5,720.00 | 100% | \$5,720.00 | 0% | \$0.00 | 100% | \$5,720.00 | 0% | \$0.00 | 0% | \$0.00 |
| VAR - 04 | \$10,670.00 | 0% | \$0.00 | 100% | \$10,670.00 | 100% | \$10,670.00 | 0% | \$0.00 | 100% | \$10,670.00 | 0% | \$0.00 | 0% | \$0.00 |
| VAR - 05 | \$1,700.00 | 0% | \$0.00 | 100% | \$1,700.00 | 100% | \$1,700.00 | 100% | \$1,700.00 | 100% | \$1,700.00 | 100% | \$1,700.00 | 100% | \$1,700.00 |
| VAR - 06 | \$3,500.00 | 0% | \$0.00 | 100% | \$3,500.00 | 100% | \$3,500.00 | 100% | \$3,500.00 | 100% | \$3,500.00 | 100% | \$3,500.00 | 100% | \$3,500.00 |
| VAR - 07 | \$3,120.00 | 0% | \$0.00 | 100% | \$3,120.00 | 100% | \$3,120.00 | 100% | \$3,120.00 | 100% | \$3,120.00 | 100% | \$3,120.00 | 100% | \$3,120.00 |
| VAR - 08 | \$1,700.00 | 0% | \$0.00 | 100% | \$1,700.00 | 100% | \$1,700.00 | 100% | \$1,700.00 | 100% | \$1,700.00 | 100% | \$1,700.00 | 100% | \$1,700.00 |
| VAR - 09 | \$3,000.00 | 0% | \$0.00 | 100% | \$3,000.00 | 100% | \$3,000.00 | 100% | \$3,000.00 | 100% | \$3,000.00 | 100% | \$3,000.00 | 100% | \$3,000.00 |
| VAR - 10 | \$2,040.00 | 0% | \$0.00 | 100% | \$2,040.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | \$2,040.00 | 100% | \$2,040.00 | 100% | \$2,040.00 |
| VAR - 11 | \$19,887.00 | 0% | \$0.00 | 100% | \$19,887.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | \$19,887.00 | 100% | \$19,887.00 | 100% | \$19,887.00 |
| VAR - 12 | \$6,779.56 | 0% | \$0.00 | 100% | \$6,779.56 | 0% | \$0.00 | 0% | \$0.00 | 100% | \$6,779.56 | 100% | \$6,779.56 | 100% | \$6,779.56 |
| VAR - 13 | \$9,580.00 | 0% | \$0.00 | 100% | \$9,580.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | \$9,580.00 | 100% | \$9,580.00 | 100% | \$9,580.00 |
| VAR - 14 | \$720.00 | 0% | \$0.00 | 100% | \$720.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | \$720.00 | 100% | \$720.00 | 100% | \$720.00 |
| VAR - 15 | \$4,167.40 | 0% | \$0.00 | 100% | \$4,167.40 | 0% | \$0.00 | 0% | \$0.00 | 100% | \$4,167.40 | 100% | \$4,167.40 | 100% | \$4,167.40 |
| VAR - 16 | \$12,487.09 | 0% | \$0.00 | 100% | \$12,487.09 | 0% | \$0.00 | 0% | \$0.00 | 100% | \$12,487.09 | 100% | \$12,487.09 | 100% | \$12,487.09 |

Adjudication 18-09-02

Attachment 1

| Item | Subcontract SPS+Varns | | Progress Claims 1 - 3 | | Claim 4 - Applicant | | Claim 4 - Respondent | | Claim 4 Adjudicator | | Claim 5 - Applicant | | Claim 5 - Respondent | | Claim 5 Adjudicator |
|-----------------------------------|--------------------------|-----|--------------------------|------|------------------------|-----|-------------------------|-----|------------------------|------|------------------------|--------|-------------------------|--------|------------------------|
| | Amount | Qty | Amount | Qty | Amount | Qty | Amount | Qty | Amount | Qty | Amount | Qty | Amount | Qty | Amount |
| VAR - 17 | \$3,060.00 | 0% | \$0.00 | 100% | \$3,060.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | \$3,060.00 | 100% | \$3,060.00 | 100% | \$3,060.00 |
| VAR - 18 | \$3,780.00 | 0% | \$0.00 | 100% | \$3,780.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | \$3,780.00 | 0% | \$0.00 | 0% | \$0.00 |
| VAR - 19 | \$1,360.00 | 0% | \$0.00 | 100% | \$1,360.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | \$1,360.00 | 50% | \$680.00 | 50% | \$680.00 |
| VAR - 20 | \$4,366.40 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | \$4,366.40 | 100% | \$4,366.40 | 100% | \$4,366.40 |
| VAR - 21 | \$3,775.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | \$3,775.00 | 100% | \$3,775.00 | 100% | \$3,775.00 |
| VAR - 22 | \$2,980.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | \$2,980.00 | 100% | \$2,980.00 | 100% | \$2,980.00 |
| VAR - 23 | \$196,881.25 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | \$196,881.25 | 96.33% | \$189,656.25 | 96.33% | \$189,656.25 |
| VAR - 24 | \$81,600.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | \$81,600.00 | 0% | \$0.00 | 0% | \$0.00 |
| VAR - 25 | \$15,172.50 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 79.27% | \$12,027.50 | 79.27% | \$12,027.50 |
| VAR - 26 | -\$6,482.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | -\$6,482.00 | 0% | \$0.00 |
| VAR - 27 | -\$2,192.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | -\$2,192.00 | 0% | \$0.00 |
| VAR - 28 | -\$53,984.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | -\$53,984.00 | 0% | \$0.00 |
| VAR - 29 | -\$43,593.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | -\$43,593.00 | 0% | \$0.00 |
| VAR - 30 | -\$22,847.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | -\$22,847.00 | 0% | \$0.00 |
| VAR - 31 | -\$68,562.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | -\$68,562.00 | 0% | \$0.00 |
| VAR - 32 | -\$16,934.80 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | -\$16,934.80 | 0% | \$0.00 |
| VAR - 33 | -\$13,445.41 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 0% | \$0.00 | 100% | -\$13,445.41 | 0% | \$0.00 |
| Sub- total | \$177,995.99 | | \$0.00 | | \$101,261.05 | | \$37,400.00 | | \$21,010.00 | | \$390,863.70 | | \$65,175.99 | | \$293,216.20 |
| Total | \$625,746.99 | | \$373,866.15 | | \$534,739.80 | | \$435,698.95 | | \$419,308.95 | | \$838,614.70 | | \$498,654.74 | | \$740,967.20 |
| Less previously certified | | | \$0.00 | | \$373,866.15 | | \$373,866.15 | | \$373,866.15 | | \$534,739.80 | | \$435,698.95 | | \$419,308.95 |
| Certified this payment | | | \$373,866.15 | | \$160,873.65 | | \$61,832.80 | | \$45,442.80 | | \$303,874.90 | | \$62,955.79 | | \$321,658.25 |
| Add | | | | | | | | | | | | | | | |
| 10%GST | | | \$37,386.62 | | \$16,087.37 | | \$6,183.28 | | \$4,544.28 | | \$30,387.49 | | \$6,295.58 | | \$32,165.82 |
| Less 5% retention | | | \$20,562.64 | | \$8,848.05 | | \$3,400.80 | | \$0.00 | | \$16,713.12 | | \$3,462.57 | | \$0.00 |
| Less contra charges | | | \$37,109.97 | | \$0.00 | | \$0.00 | | \$0.00 | | \$0.00 | | \$0.00 | | \$0.00 |
| Less GST on contra charges | | | \$3,711.00 | | \$0.00 | | \$0.00 | | \$0.00 | | \$0.00 | | \$0.00 | | \$0.00 |
| Payment Value GST incl | | | \$349,869.16 | | \$168,112.96 | | \$64,615.28 | | \$49,987.08 | | \$317,549.27 | | \$65,788.80 | | \$353,824.07 |