**COST MANAGER**

**SCHEDULES 1 – 3**

Contents

[1 SCHEDULE 1: SERVICES – GENERAL 3](#_Toc388523914)

[1.1 Terminology 3](#_Toc388523915)

[1.2 Services 3](#_Toc388523916)

[1.3 Contract Price – Fees and Disbursements 3](#_Toc388523917)

[1.4 Contract Material 3](#_Toc388523918)

[1.5 DPTI Publications, Policies and Guidenotes 4](#_Toc388523919)

[1.6 Cash Flows and Project Estimates 4](#_Toc388523920)

[1.7 Project Program 5](#_Toc388523921)

[1.8 Project Budget 5](#_Toc388523922)

[1.9 Construction Contract Tenders, Contracts and Administration 5](#_Toc388523923)

[1.10 Site Visits 6](#_Toc388523924)

[1.11 Consultant Contract Administration 6](#_Toc388523925)

[1.12 Budget Reviews 7](#_Toc388523926)

[1.13 Client’s ICT Project Management System (BPIMS) 7](#_Toc388523927)

[1.14 Records 8](#_Toc388523928)

[1.15 Code of Practice 8](#_Toc388523929)

[2 SCHEDULE 2: SERVICES – PROJECT SPECIFIC 9](#_Toc388523930)

[2.1 Terminology 9](#_Toc388523931)

[2.2 Project Delivery Framework 9](#_Toc388523932)

[2.3 Services Parts 9](#_Toc388523933)

[2.4 Disbursements 10](#_Toc388523934)

[2.5 Subcontractors 10](#_Toc388523935)

[2.6 FF&E 10](#_Toc388523936)

[2.7 Lead Professional Service Contractor (Architecture) 10](#_Toc388523937)

[3 SCHEDULE 3: PROJECT DETAILS 11](#_Toc388523938)

[3.1 Terminology 11](#_Toc388523939)

[3.2 Background 11](#_Toc388523940)

[3.3 Project Description and Scope 11](#_Toc388523941)

[3.4 Project Objectives 11](#_Toc388523942)

[3.5 Current Status 11](#_Toc388523943)

[3.6 Project Organisation 11](#_Toc388523944)

[3.7 Budget 11](#_Toc388523945)

[3.8 Program 12](#_Toc388523946)

[3.9 Procurement method 12](#_Toc388523947)

[3.10 Existing Approvals 12](#_Toc388523948)

[3.11 Role of DPTI 12](#_Toc388523949)

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# SCHEDULE 1: SERVICES – GENERAL

## Terminology

This document is intended for use in conjunction with the Conditions of contract for provision of minor professional services. Terminology defined in the Contract has the same meaning in this Schedule.

The South Australian Government describes organisations delivering professional services associated with construction as professional service contractors and this term has the same meaning as Contractor.

## Services

The Contractor shall carry out the services in accordance with the Conditions of contract for provision of minor professional services, Schedules 1 - 5, the Brief and all relevant policies of the South Australian Government, in particular the 5-step Infrastructure Planning and Delivery Framework, the PC028 Construction Procurement Policy: Project Implementation Process and the Urban Design Charter.

## Contract Price – Fees and Disbursements

The fixed or indicative fee component of the contract price shall include GST and shall include Contractor time (including hours spent in country, interstate and international travel) and all general administration costs including telephone calls, facsimiles, courier services, photocopying, printing and travel costs in the metropolitan area (within 32kms of the Adelaide GPO). No additional fee payment will be made for these items.

The fixed or indicative disbursement component of the contract price shall include GST and may include country, interstate and international travel and accommodation costs, reports, printing and other costs as agreed. Payment of disbursements will be made as the expenditure is incurred and for actual amounts incurred.

If after execution of the Contract there is a requirement for the Contractor to undertake additional work, the Contractor must if required submit a revised fee on the basis of the contract price. Revised fees which are not consistent with the contract price or with Department of Planning, Transport and Infrastructure (DPTI) market data on fees and disbursements for similar projects may be rejected.

## Contract Material

The Contractor shall prepare any Contract Material as required by the Brief and necessary for the execution of the project and review the Contract Material for completeness and correctness and with a view to omitting any ambiguity and inconsistency.

The Contractor shall prepare any Contract Material consistent with the nature of the project.

The Contractor shall prepare any Contract Material consistent with published Government, DPTI and lead agency policies and standards relevant to the project.

The Contractor shall as part of the services and when requested submit alternative schemes and options for the cost estimating, budgeting or other components of the Contract Material indicating the analysis of the advantages and disadvantages of each alternative with a view to determining the optimum economic solutions on the basis of both capital and operational costs for the project.

The Contractor shall submit to the Client any contract material prepared by the Contractor and proposed to be used for the purposes of the execution of the project. The Client shall advise the Contractor as soon as reasonably possible and in any event not later than twenty eight (28) days after submission if the Client requires revision or amendment of the Contract Material.

If contract material submitted in accordance with the preceding clause does not comply with the Contract the Client may require the Contractor to revise the contract material without being liable to the Contractor for any extra costs incurred as a result of such revision. If the Client requires revision for any other purpose, the work involved shall be treated as a variation as provided in the Contract.

Any omission by the Client to require revision or amendment of any contract material shall not constitute an acknowledgment or admission that such contract material is correct in detail as to measurement dimensions materials or in any other particular, the responsibility for which shall remain the Contractor’s. No approval, direction or assistance given to the Contractor whether by the Client the construction contract principal or by any statutory body whether acting in pursuance of its statutory functions or otherwise in respect of contract material shall relieve the Contractor of responsibility under the Contract.

## DPTI Publications, Policies and Guidenotes

The Contractor shall comply all relevant DPTI publications, policies and guidenotes and shall refer to Schedule 4: Notes on Publications, Policies and Guide Notes for Consultants (Professional Service Contractors).

## Cash Flows and Project Estimates

The Contractor shall establish cash flow budgets for the project, and monitor, review and update the cash flow regularly.

The Contractor shall provide cost estimates and progressively review and report on project costs during all phases of the Project. The format for presentation of estimates shall be in accordance with the standard provided by DPTI - refer to the guide notes in the BPIMS Library at http://www.bpims.sa.gov.au/bpims/library/library\_frameset\_1.htm.

The Contractor shall provide detailed elemental cost analysis at the pre-tender stage of the Project whether it is new, upgrade/refurbishment or fitout works. All items in the analysis will be provided as $/m2 rates for the gross floor area. In the case of a project with a number of facility types (e.g. school redevelopment) the cost analysis shall be split into the facility types where possible.

The Contractor shall provide a detailed elemental cost analysis of the preferred tender as $/m2 rates for the gross floor area. (The standard template for the required elemental analysis can be found in the BPIMS Library at: <http://www.bpims.sa.gov.au/bpims/library/showLibrary.do?searchText=pretender>)

The Contractor shall meet the requirements of section 4 Plant and Equipment of the Government Buildings Energy Strategy in regard to the preparation of life cycle assessment for the recommended plant and a least one alternative.

The Contractor shall:

1. monitor and report on project costs during the development of contract material;
2. prepare monthly financial reports covering cost of work executed to date, cost of variations to date and the cost of any anticipated claims projecting a final account end cost;
3. attend meetings, liaise with the Client’s other consultants and contractors and provide advice on materials costs alternative methods scope adjustments and construction systems during the design and construction process to ensure that all cost implications are considered in decision making.

## Project Program

The Contractor shall provide the services in accordance with the Program.

If the Contractor fails to comply with the above provision without the approval of the Client for any reason other than a default by the Client, the Contractor shall accelerate the execution of the services at the Contractor’s expense until the Program requirements have been complied with.

## Project Budget

The Contractor, in carrying out the services, having regard for the budgeted cost, shall if any cost report indicates that the cost of construction of the project will exceed the budgeted amount, revise and alter the Contract Material so that the cost, having regard to the cost report may be reasonably expected not to exceed the budgeted amount, but if in the Contractor’s opinion no such alteration or revision of the Contract Material within the requirements of the Brief is feasible or would sufficiently reduce the cost, the Contractor shall advise the Client accordingly.

If, when tenders for the construction contract(s) are called, the lowest conforming tender exceeds the budgeted amount, the Contractor shall, upon written request by the Client, amend the Contract Material to reduce the cost of the project to the budgeted amount. Where the tender has exceeded the budgeted amount due to a failure to perform the services to that standard of care and skill to be expected of a contractor who regularly acts in the capacity in which the Contractor is engaged or due to errors or omissions in the Contract Material the Contractor shall correct the Contract Material at its own expense.

The Contractor shall participate in strategic value management and value management exercises convened to manage the project budget and delivery of value to the Client.

## Construction Contract Tenders, Contracts and Administration

The conditions for construction contracts will generally be based on MDW-112: Conditions of Contract for Medium Works.

The Contractor shall not amend these conditions or any other construction contract conditions without the Client’s approval in writing.

The Contractor shall prepare pre-tender estimates of the construction contract cost based on the Contract Material for the project.

The Contractor shall assess the cost implications of tenders received for the construction contract and provide a reconciliation and tender recommendation report.

When requested by the Client to participate in the evaluation of tenders for a DPTI contract the Contractor shall undertake the evaluation of the tender in strict accordance with DPTI policies, practices and systems for tender evaluation.

The Contractor shall refer to the conditions of contract for the construction contract for an understanding in regard to administering the contract. The Contractor will strictly adhere to the authorities set out in the delegations schedules in administering the construction contract. Delegations may be revoked or varied at any time.

The Contractor shall not include any provisional sums without the Client’s approval in writing.

If the Contractor is delegated a formal administration role under the construction contract, the Contractor shall carry out such functions as are delegated to the Contractor from time to time until the issue of the final certificate or equivalent to the construction contractor.

When acting as a valuer, certifier or assessor the Contractor shall be unbiased, fair and reasonable.

The Contractor shall at all times administer the construction contract according to its terms, with diligence and promptitude and in accordance with DPTI procedures. The Contractor shall:

1. maintain all records reasonably necessary for proper administration of the construction contract. The records shall be available for inspection at all times and shall be handed to the Client upon the completion of the services or earlier termination;
2. promptly inform of the occurrence or imminence of any matter which may give rise to a claim for additional payment by the construction contractor;
3. promptly refer any applications or claims by the construction contractor with respect to extensions of time, valuation of variations and any other matter together with copies of all relevant documents and correspondence to the relevant party under the construction contract for consideration; or if authorised promptly deal with any such applications or claims;
4. provide such assistance and deliver such Contract Material as the Superintendent and construction contract Principal require in the event of any arbitration or other proceedings arising in respect of the construction contract. If the claim or dispute, the subject of such proceedings, is caused or substantially contributed to by any breach of this Contract, such assistance shall be provided free of charge, but shall otherwise be paid for by the Client at a reasonable rate.

The Contractor shall report in writing with respect to the progress of the services and work under the construction contract not less than monthly, and at any time requested by the Client, supplying with each such report copies of all notices instructions and correspondence referred to therein and with respect to the following issues:

1. adherence to budget and cash flow projections;
2. variations and value of variations;
3. extensions of time;
4. latent conditions;
5. any instructions issued by the Contractor to the construction contractor.

## Site Visits

The Contractor and each of the subcontractors shall as part of the services regularly visit the construction site during the construction phase for the purposes of determining progress and verifying claims for payment from the construction contractor.

## Consultant Contract Administration

When requested by the Client to participate in the evaluation of tenders for another contract the Contractor shall undertake the evaluation of the tender in strict accordance with the Client’s policies, practices and systems for tender evaluation.

The Contractor shall at all times assist in the administration of the Client’s other consultant contracts according to its terms, with diligence and promptitude and in accordance with the Client’s procedures.

The Contractor shall report in writing with respect to the progress of the Client’s other consultant contracts and project budgets not less than monthly with respect to the following issues:

1. adherence to budget and cash flow projections;
2. variations and value of variations;
3. extensions of time;
4. predicted costs on completion;
5. project budget risks.

The Contractor shall:

1. promptly inform of the occurrence or imminence of any matter which may give rise to a claim for additional payment by the Contractor and the Client’s other consultants;
2. advise in respect of any such matter or course of action, consistent with the successful completion of the Project, which is most likely to minimise the Client’s liability;
3. prepare estimates of the Client’s other consultants’ contract variations, discuss with the consultants as necessary and make recommendation;
4. prepare and recommend the financial finalisation of contracts with the Client’s other consultants;
5. promptly refer to the Client any claim application or notice forwarded by the Client’s other consultants which should under the construction contract have been directed to the Client;
6. not waive or vary any of the Client’s rights under the consultant contract without prior written approval;
7. on request, be available on reasonable notice to consult with the Client on the other consultant contracts;
8. provide such assistance and deliver such Contract Material as the Client requires in the event of any arbitration or other proceedings arising in respect of the Client’s other consultant contracts.

## Budget Reviews

The responsibility for completeness, accuracy and coordination of documents resides with the Contractor. Notwithstanding the Client has a budget review process. The Contractor shall provide all services necessary to participate in and to address all issues listed in the budget review report prepared by the Client.

If required services related to budget reviews have not been provided by the Contractor, the Client may withhold any payment that falls due.

## Client’s ICT Project Management System (BPIMS)

The Client has an ICT system that manages critical information on the project that is the subject of this Contract.

The Building Project Information Management System (BPIMS) provides the project management framework that governs the delivery of major construction projects by DPTI.

BPIMS promotes and supports the implementation of government policies and practices and facilitates communication and sharing of knowledge among government agencies, DPTI and industry participants.  BPIMS enables the electronic collection, collation and consistent management of information, providing project specific information in real time.

Throughout the term of the Contract, the Contractor is required to utilise BPIMS on a regular and ongoing basis as directed by the Client including but not limited to uploading of contract information and data, uploading of compliance statements, use of the Client’s on-line contract instructions system (variation orders and contract memorandums) and use of the Client’s on-line payment claim system.

BPIMS makes available to the Contractor a range of resources including guidenotes, forms and proformas that will be relevant during the construction. By accessing the Contract ‘Home Page’ using BPIMS, the Contractor shall regularly review these resources and obtain project information electronically.

The Contractor shall electronically upload information, lodge forms and payment claims, utilise proformas and upload other documents in the form and at the times as specified or directed by the Client.

Refer to the guidenote ‘On-line Lodgement and Users Guide to BPIMS (G56)’ in the BPIMS Library at: <http://www.bpims.sa.gov.au/bpims/library/showLibrary.do?searchText=pretender>.

## Records

On completion of the services and in order to meet the requirements of the State Records Act 1997, the Contractor and all subcontractors shall provide to the Client the Contract Material including sketches, plans, designs, estimates, calculations, reports, models, computer sourced codes, articles, information, files and data produced by the Contractor in the course of the contract.

## Code of Practice

The Contractor must comply with the Code of Practice for the South Australian Construction Industry. Lodgement of a tender will be evidence of the Contractor’s agreement to comply with the Code for the duration of any resulting contract that may be awarded. If any Contractor fails to comply, the failure will be taken into account by the Government of South Australia and its Agencies when considering this or any subsequent tender by the Contractor and may result in such tender being passed over and or a change in the status of the Contractor on any State Government register of Consultants.

# SCHEDULE 2: SERVICES – PROJECT SPECIFIC

## Terminology

This document is intended for use in conjunction with the Conditions of contract for provision of minor professional services. Terminology defined in the Contract has the same meaning in this Schedule.

## Project Delivery Framework

The project will be delivered in accordance with the Construction Procurement Policy: Project Implementation Process (PIP) for the delivery of building construction projects which has several phases:

PIP Phase 5.1 Concept

PIP Phase 5.2 Design

PIP Phase 5.3 Documentation

PIP Phase 5.4 Tender

PIP Phase 5.5 Construction

PIP Phase 5.6 Review

## Services Parts

The Contractor must perform the services in accordance with the Conditions of contract for provision of minor professional services, Schedules 1-3, Schedule 4 and Schedule 5 – Services Matrix which sets out the services allocated to various roles.

Subject to the provisions of this Contract, the services will be performed in parts:

* **Design Services** (incorporating Concept, Design, Documentation and Tender phases) (Part 1). The Contractor must perform the services for the fixed price tendered by the Contractor and accepted by the Client.
* **Contract Administration Services** (incorporating Construction and Review phases (Part 2). The Contractor must perform the services for the price accepted by the Client which is based on the indicative price tendered by the Contractor, as set out in the Contract. The Contractor must not commence the Part 2 services unless and until:

1. the parties have reached agreement in writing on the fixed amount of the price payable for the Design, Documentation and Tender services, the time frames for performance, and any other necessary terms; and
2. the Client’s Representative (in the Client’s absolute discretion) has expressly requested the Contractor to commence performance of the Design, Documentation and Tender services.

Notwithstanding any other provision of the Contract, the Client may, entirely at the Client’s own discretion and without cause delete services from the scope of the Contract provided the Client has not yet authorised the Contractor to commence any part of those services.

For the avoidance of doubt, if the Client deletes services from the scope of the Contract:

1. the Client will not be obliged to pay any amount attributable to the relevant services; and
2. the Client will be at liberty to have the relevant services or any part of them undertaken by a third party.

The Client reserves the right to review and if necessary amend the extent and nature of consultancy services required for any Part.

## Disbursements

The Contractor shall provide the following disbursements and shall be responsible for arranging and coordinating services associated with disbursements and for making payment.

Project Risk Managers are to select from the list of disbursements below those required as part of the contract. Delete disbursements not required.

|  |
| --- |
| **Disbursement** |
| Accommodation (per night) |
| Travel – country (cost per trip per person) |
| Travel – interstate (cost per trip per person) |
| Travel – international (cost per trip per person) |
|  |

## Subcontractors

The Contractor shall where applicable select and engage subcontractors under the same terms and conditions as this Contract and will be responsible for the management and coordination of their services.

The Contractor fee and reimbursements of expenses will be adjusted by the amount equal to the agreed amount of subcontractors’ fees and reimbursements of expenses for the services.

There is a requirement for the following subcontractors to be engaged by the Contractor. The final decision on selection of the subcontractors is the responsibility of the Contractor.

|  |
| --- |
| **Discipline** |
|  |
|  |

## FF&E

The Contractor shall work with the Client to develop a budget and cost plan for the procurement of furniture, fitout and equipment (FFE) including assisting the Client with assessing tenders/prices.

## Lead Professional Service Contractor (Architecture)

The Contractor is advised that the architect will be engaged directly by the Client to provide services to the project. The Contractor shall liaise and coordinate with the lead professional service contractor on all relevant matters.

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# SCHEDULE 3: PROJECT DETAILS

## Terminology

This document is intended for use in conjunction with the Conditions of contract for provision of minor professional services. Terminology defined in the Contract has the same meaning in this Schedule.

## Background

General commentary on completed work and need for the project

## Project Description and Scope

General description of project scope

The project must comply with all statutory and Government of South Australia policy requirements relevant to it with particular focus on ESD initiatives including the Government Buildings Energy Strategy and other energy management policy documents. Details are provided in the guide note “Government Buildings Energy Strategy Compliance (G46)”.

## Project Objectives

General description of the objectives and aspirations of the project both in terms of the product and the related improvements in service delivery or its design excellence and the process in terms of its timeliness or cost or relationships.

## Current Status

## Project Organisation

Describe committee structures, the lead agency and end user groups, community interest groups etc

## Budget

Below is an indicative breakdown of the project budget of $00,000.

| **Budget Component** | **Budget Sum ($)** |
| --- | --- |
| **Construction** |  |
| Building work |  |
| Siteworks (external works and external services) |  |
| Design and construction contingencies |  |
| Locality allowance (Country Loading) |  |
| Escalation |  |
| Furniture, Fittings and Equipment (if managed by PSC) |  |
| **Construction subtotal** |  |
|  |  |
| **Fees and disbursements** |  |
| DPTI/Lead Agency costs, fees and disbursements |  |
| PSC fees, disbursements and contingencies |  |
| **Fees and disbursements subtotal** |  |
|  |  |
| **Other** |  |
| Furniture, Fittings and Equipment (if not managed by PSC) |  |
| Miscellaneous contracts |  |
| Sundries |  |
| **Other subtotal** |  |
|  |  |
| **Total Capital** |  |
| GST |  |
| **Total** |  |

## Program

Include a program which gives advice on key project milestones

## Procurement method

Describe the anticipated tendering process and form of contract

## Existing Approvals

## Role of DPTI

Refer to the guide notes in the BPIMS Library at <http://www.bpims.sa.gov.au/bpims/library/library_frameset_1.htm> for a detailed description of the role of DPTI.

The DPTI role, coordinated by the project risk manager, will include project overview, support and advice to the project team on government policy and procedures, facilitation of project approvals and engagements, provision of the tender call and contract execution service and contract administration.

The DPTI budget risk adviser will provide a budget audit service which will include the review of budgets and cost plans, processing of progress payments and the input of data into the contract reporting system.

There may be a design review process managed by a nominee of DPTI. The review aims to ensure that the design is in accordance with the lead agency’s brief and government standards and specifications.

DPTI construction advisers will assist in the design audit process, review the site inspection processes implemented by the Contractor and audit the quality of construction. The Contractor is not responsible for an omission by a construction adviser to carry out an inspection requested by the Contractor, or a failure to identify any matter of concern that ought to have been identified in the course of such an inspection. The responsibilities of the Contractor are not otherwise amended as a consequence of the DPTI construction advisers working with the Contractor.