

LINDO PORT OF ODENSE

Fairway expansion – Lite 150 FORM OF PRICES AND PAYMENTS (PAP)



November
2017





Release date : November 13. 2017
Project : Fairway extension – lite150
Revision : 0, 13-11-2017
Prepared by : Niels Kiersgaard
Checked by : Michael Nygaard
Approved by : Niels Kiersgaard

CONTENTS

A. FIXED-PRICE WORK (F)	5
B. ACCOUNT-RENDERED WORK (ARW)	10
C. OPTIONS (O)	FEJL! BOGMÆRKE ER IKKE DEFINERET.

Form of Prices and Payments (PaP)

The work shall be paid at a fixed price (Fixed-price work). In a few items, the price for Fixed-price work may, however, be regulated in accordance with the provisions of the contract, as stated in the following below.

If the Client requires alterations/additional work in relation to the services provided by the Contractor, THE CONTRACTOR may also require additional payment for such services in accordance with the provisions of the contract, as stated in the section on account-rendered work below.

In the following, work has been attributed to the three categories called (F), (ARW) and (O) respectively. These shall be addressed in the following sections.

- A. Fixed-price work (F)
- B. Account-rendered work (ARW)

A. FIXED-PRICE WORK (F)

General conditions

The Form of Prices and Payments states the general conditions for determination of quantities on the Form of Bill of Quantities, as well as general and special provisions concerning the scope of services under each item and sub-item.

The tender shall include all services and secondary services required for full completion of the contract in accordance with the requirements stated in the overall tender documentation. Where the tender documentation makes THE CONTRACTOR responsible for an activity, this means that the cost of the activity shall be included in the tender, unless otherwise expressly stated. Unless otherwise stated, THE CONTRACTOR shall include such services under items to which they naturally belong in THE CONTRACTOR's opinion.

When it is stated that an item (or main item) shall include all costs for a specifically mentioned service, this does not limit the item to precisely that service.

The prices stated under each item or sub-item shall, unless services specified under separate sub-items, include all services in relation to the work in question, including the testing, documentation, calculations etc. stated in SR and AAB (General Work Specifications), as well as waste, any excess quantities in addition to the theoretical quantities etc. and all secondary services required in order to perform the contract, including environmental measures.

As a general rule, items related to Fixed-price work shall be payable at a fixed price/sum, except certain items, for which variable quantities shall apply, based on measurement/documentation approved by the Client's supervision.

The specified quantities have been provided for guideline purposes only and are based on the Client's judgement of the necessary quantities for the completion of the work under the Contract. As such, these quantities may increase and decrease in connection with the execution of the work.

In general, payment shall take place in accordance with the provisions stated under the individual items in this PaP. Where no specific payment terms are stated, payment shall be based on the percentage progress of the subprojects. THE CONTRACTOR's statement of percentage progress shall be approved by the Client before an invoice for payment on account is submitted.

Changes in quantities shall be determined according to the principles also used for calculating quantities on the Form of Bill of Quantities (BoQ).

Furthermore, the prices under each item must include all services specified in the contract, PT, SR and framework for the Plan for sikkerhed og sundhed (PSS) (Health and Safety Plan).

For services for which it has not been possible to make final determination of the quantities in advance, estimated quantities have been used. For such services, a percentage range has also been determined, within which the quantity for that item may vary without the unit price changing.

Estimated quantities have been stated for:

Item	Designation	Percentage variation
1.2	Additional payment for running construction site etc.	+ 100/ - 100
2.4	Quantity adjustments for dredging works	+ 100/ - 100
3	Weathering measures	+ 100/ - 100
5	Account-rendered work	+ 100/ - 100

The final quantities for the above estimated items/sub-items shall be determined as described for each item.

Items on the Form of Bill of Quantities

Special provisions regarding determination of quantities and scope of services for the individual items and sub-items on the Form of Bill of Quantities are stated below.

Items with no quantity statement in the Form of Bill of Quantities will be paid as a fixed sum.

1 CONSTRUCTION SITE ETC.

1.1 Construction Site, mobilization and demobilization

This item shall include all services and costs for mobilization and demobilization of equipment and vessels for dredging and reclamation as well as establishment, running, maintenance and removal of the construction site including stationary equipment and installations for access and site roads etc. and for any necessary general interim measures, including fencing – in of the construction site, traffic regulation, environmental and health and safety-related measures, contractual winter measures and for restoration of the area after completion of the work.

The item shall also include all necessary work-related costs as specified in PT and SR.

Furthermore, the item shall include payment of the premium for a contractors' combined insurance policy in accordance with the provisions of the PT.

The item shall also include all costs payable to the authorities in connection with the execution of the work.

The facilities established under this item shall also be available for Account-rendered work (ARW) at no extra cost.

This item shall include all services and costs in connection with THE CONTRACTOR's supervision, including all costs for preparation of minutes of meetings, supervision memos, management of supervision documentation etc.

Furthermore, the item shall include all services for preparation and supply of documentation, "as built" documentation, including "as built" drawings etc. that THE CONTRACTOR shall supply in connection with the completion of the contract.

This item may not exceed 8% of the total, overall price for the tender. Payment shall be made for one mobilization only regardless of the required number of mobilizations.

The fixed sum shall be payable as follows:

40 % after mobilization.

50 % on a current basis in equal monthly instalments throughout the construction period (when work takes place at the site).

10 % after demobilization when all documentation, including “as built” drawings, has been provided and accepted by the Client.

1.2 Additional payment for running construction site

If the construction site’s period of use is extended because of extra work for which a postponement of the deadline is granted, this shall be payable at the unit price for each working day.

The unit price includes all costs for running the construction site as stated under sub-item 1.1.

2 DREDGING AND RECLAMATION

The items shall include all services and costs associated with the execution of all dredging and offshore deposit work, as well as associated quality assurance and documentation and inspection.

No compensation shall be payable for periods when dredging and deposit cannot take place because of weather conditions etc. All costs for execution of the work, including costs for “waiting time/downtime” because of bunkering/change of crew, repairs, failure/breakdowns, bad weather or the like shall be included in the tender.

2.1 Bathymetric In- and out-survey

Items 2.1 must include all services and costs associated with the execution of in-survey and out-survey of the dredging and offshore deposit areas and calculation of dredging volumes in relation to the required dredging.

The Client has made a recent in-survey, which will form the basis of contractual in-survey. If the Contractor wish to conduct a new in-survey, this survey will only be taken over as contractual in-survey if the volume to the Client in-survey differ more than 10,000 cubic meters.

2.2 Dredging of fairway

These items shall include all services and costs for dredging the material in the fairway in accordance with the SR and drawings.

The quantity will be determined as technical volume based on the in-survey and the design depth of the new fairway of -8,0 m plus 0,3m overdredge and with slopes of 1:2.

2.3 Transport and offshore deposit

This item must include all services and costs for the transport and offshore deposit of the dredged material in accordance with SR and drawings.

The quantity will be determined as technical volume based on the in-survey and the design depth of the new fairway of -8,0 m plus 0,3m overdredge and with slopes of 1:2.

2.4 Quantity adjustment for dredging works

This item must include all services and costs for the dredging, transport and offshore deposit of the dredged material in accordance with SR and drawings.

The quantity will be determined as technical volume between the Client In-survey and the contractual in-survey.

3 WEATHERING MEASURES

The sub-items below have been structured in accordance with the “Vintertilbudslisten” (Winter Offer List) published by Udvalget for helårsbeskæftigelse (Committee for Full-Employment).

For all sub-items, it shall apply that payment to the Contractor can take place in the actual winter period only, i.e. from 1 October to 30 April, but for items marked * payment may also take place outside this period when it relates to protection against damage resulting from temperature cracking (items 6.2.2, 6.2.3 and 6.2.4).

For the individual sub-items, the following special provisions shall apply:

3.1 Building site measures for concrete works

3.1.1 Artificial lighting from tall masts

This service shall comprise the delivery, installation, operation and removal of masts with lighting units of two 1,500-watt lamps, including the necessary electricity supply. The lighting units must be installed min. 8 m above ground level and, if necessary, they shall be screened so that the light sources cannot be seen directly from the entrance to the harbour.

3.1.2 Snow clearance and gritting

The unit price shall cover the hourly rate for a worker, including materials and material consumption, as well as any overtime payment.

3.1.3 Snow clearance using tractor

The unit price shall comprise a tractor mounted with brushes, including fuel and driver and also including any overtime pay.

4 OTHER SERVICES

The fixed sum shall include all other work and deliveries assessed by the Contractor to be necessary for the fulfilment of the contract in accordance with the drawings, descriptions and conditions. If any amount is stated under this item, the type of service shall be specified by the Contractor in the front-page for the Form of Bill of Quantities.

B. ACCOUNT-RENDERED WORK (ARW)

The Quantities estimated in BoQ for account-rendered work under section 8 are the Clients best estimate at the time of tender, and the total sum based on these estimates will be used for evaluation as part of the total price. However, these quantities may increase or decrease in connection with the execution of the works, or the Client may never need to order account based work.

The following payment conditions shall apply to Account-rendered work:

0.1 General

0.1.1 Wages/Fees

Wages/fees shall be payable at the hourly rates stated in the Contractor's tender.

This shall cover wages, the social contributions including additions/amendments, the Contractor's administration, supervision, profit etc., all travel and subsistence expenses and any expenses not covered by the compensation specified under items 0.1.1 to 0.1.4 in this section.

Any overtime shall be payable at the same rate. If the Client's supervision demands that work be performed outside normal working hours, overtime shall, however, be payable in accordance with collective agreements, including derived social benefits and a 22% administration margin.

If a site manager or foreman is in charge of both Account-rendered work and Fixed-price work, wages shall be reimbursed only for the part of the work that is carried out on an Account-rendered basis. The allocation of wage costs shall be based on the number of people working on the two jobs.

0.1.2 Materials and consumption goods

For example, sharpening of chisels is regarded as consumption while nozzles for sanding equipment are regarded as part of the equipment and must be maintained, cf. PaP, section B.

0.1.3 Compensation for lease of equipment

Compensation shall be payable at the unit prices stated in the Contractor's tender, cf. the Bill of Quantities. Fuel shall be settled as consumables.

0.1.4 Invoiced amounts

Subcontractors performing the work listed overleaf under "Items on the Bill of Quantities (ARW)" shall be subject to provisions 0.1.1–0.1.3 above and 0.1.5 below.

0.1.5 Documentation

In connection with the execution of Account-rendered work, the Client's supervision shall have the opportunity to regularly verify all hours used and materials consumed etc. Every month, the Contractor shall submit a specified invoice of all Account-rendered work, with vouchers to document any costs incurred.

0.2 Items on the Bill of Quantities

The following Account-rendered work is comprised:

- Project amendments required by the Client
- Miscellaneous work.

5.1 Wages/fees for design changes from the Client

BoQ item 5.1 to 5.5 : Payable at a unit price per hour, cf. PaP (B)(0.1.1). Wages.

5.2 Compensation for lease of equipment

BoQ item 5.6 to 5.23 : Payable at the unit prices per hour stated in the tender, cf. PaP (B)(0.1.3), Compensation for lease of equipment.

All the rates stated shall include all costs for maintenance, repair and renewal of the equipment in question.

The items on the Bill of Quantities relating to waiting time/downtime are relevant only in connection with Account-rendered work.

