

Specification For Measurement And Payment - 1800

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1 MEASUREMENT OF QUANTITIES

- 1.1 The units of measurement used in this Contract will be determined on the basis of the International System of Units.
- 1.2 The units of measurement will be defined by the Weights and Measures Act.
- 1.3 Unless specifically stated otherwise in the Contract for a particular item, measurements will be made in accordance with the following general rules:
 - 1.3.1 Lengths and areas will be based on horizontal measurements.
 - 1.3.2 Volumes of excavations, embankments and stockpiles will be computed by the method of average end areas. The volume of all excavations will be measured in the original position of the material by the cross-section method.
 - 1.3.3 Materials paid for by the cubic metre; except for excavations, embankments and stockpiles; will be measured in the truck box, tank or loader bucket. The payload volume will be established by the Engineer based on the utilized volumetric capacity constituting a standard load for each unit. Each subsequent load shall be nearly identical to the standard load established by the Engineer. Deductions will be made for partial or short loads.
 - 1.3.4 The volumetric unit for measurement of bituminous material will be the litre at 15°C. Volumes measured at any other temperature will be corrected

to the volume at 15°C using the Ministry's approved tables of correction factors. The Engineer may use the Contractor's scales to weigh or to check the weight of bituminous materials.

- 1.3.5 When a complete structure or structural unit, for example lump sum work, is specified as the unit of measurement, the unit shall include all necessary fittings, accessories, labour and materials for which separate payment is not provided for in the Contract.

2 SCALES AND SCALE HOUSE

- 2.1 When payment by weight is specified in the Contract, the Contractor shall furnish a platform scale meeting Measurement Canada's requirements.
 - 2.1.1 The platform scale shall be of sufficient length and capacity to accommodate any truck used on the Contract in a single weighing.
 - 2.1.2 At the time of use, the scales shall have been certified and sealed within one year. The Contractor shall arrange for scale certification by an accredited scale inspector.
 - 2.1.3 The Engineer will carry out all subsequent scale tests at each new scale site or as frequently as deemed necessary. The Contractor shall furnish two tonnes of approved test weights and shall have them available on site at all times for checking of the scale(s).
- 2.2 The Contractor may use other types of scales and/or weigh ticket printers provided these devices are approved or under permit for use by Measurement Canada, and are approved for use by the Ministry.
- 2.3 The scale house shall be constructed in such a manner as to provide safe and convenient access for scale operators and shall be weatherproof to protect the recording device of the scale operator. The scale house shall be clean and large enough to provide reasonable working accommodations for the scale operator or operators and have safe and adequate heat, light and power.
- 2.4 All platforms, walkways and stairs shall be constructed to comply with The Occupational Health and Safety Regulations, 1996.
- 2.5 The Contractor shall supply 110-volt AC power to the scale house during all hauling.

- 2.6 The Ministry will provide and place the necessary person(s) at the Contractor's weigh scale(s) for the purpose of weighing final products required under the Contract. The Ministry will not provide a scaleperson for interim products.
- 2.7 The Contractor shall have the right to place person(s) in the scale house for the purpose of checking measurements, but such person(s) shall in no way obstruct, interfere with, or influence the execution of the duties of person(s) placed by the Ministry.
- 2.8 All materials incorporated in the Work for which payment by weight is stipulated in the Contract shall be weighed only by a scale operator provided by the Ministry. Such material not weighed by Ministry operators will be considered as unauthorized and the Contractor will not be entitled to payment.
- 2.9 Trucks used to haul material purchased by weight shall be weighed empty at such times as the Engineer directs.
- 2.10 Payment will not be made to the Contractor for furnishing and certifying scales, and furnishing test weights and scale house.

3 SCOPE OF PAYMENT

- 3.1 The Contractor shall accept the compensation, as herein provided, as full payment for furnishing all materials, labour, equipment, tools and incidentals necessary to the completed Work and for performing all work under the Contract; for all administrative and overhead costs; and for all risk, loss, damage, or expense arising from the nature of the Work or the prosecution thereof; except as otherwise specifically provided for elsewhere in the Contract, including but not limited to the following:
 - 3.1.1 All loss or damage arising from the nature of the Work, or from the action of the elements, or from any unforeseen difficulties which may be encountered during the prosecution of the Work and until its Final Completion; except that the Minister may, in his discretion, reimburse the Contractor, as set forth in Subsection 1600.6.
 - 3.1.2 For all expenses incurred in consequence of the suspension of the Work as herein authorized, unless otherwise shown on the Plans and the Specifications.
- 3.2 Where the "basis of payment" clause in the Specifications relating to any Unit Price or set rate in the Contract requires that the said Unit Price or set rate be the compensation for certain work or materials essential to the item, this same work or material will not

be measured and paid for under any other item which may appear elsewhere under another Specification.

- 3.3 Any payment for work performed shall not affect the obligation of the Contractor to repair any defective work or materials used in the Work, or to be responsible for all damage due to such defects.

4 NO COMPENSATION FOR ALTERATIONS IN QUANTITIES

- 4.1 If alterations in the Plans or quantities of work, except as provided for in Subsections 1300.2 and 1300.3, are ordered and performed, the Contractor shall accept payment at the Unit Prices for actual quantities of the Work performed as full payment.
- 4.2 No allowance, except as provided for in Subsections 1300.2 and 1300.3, will be made for any increased expense, loss of expected reimbursement, or loss of anticipated profits suffered or claimed by the Contractor resulting from such alterations, or from unbalanced allocation among the Contract Items of overhead expense on the part of the Contractor and subsequent loss of expected reimbursement, or from any other cause.

5 PAYMENT FOR EXTRA WORK

- 5.1 Extra Work performed on a Supplemental Agreement basis will be paid for at the unit and/or lump sum price(s) stipulated in the Supplemental Agreement.
- 5.2 Extra Work performed on a lump sum agreement basis will be paid for at the lump sum price stipulated on the Extra Work Authorization form.
- 5.3 Extra Work performed on a Force Account basis will be paid for as follows:
 - 5.3.1 For any equipment used:
 - 5.3.1.1 The Contractor will be paid rental rates determined in accordance with the Saskatchewan Heavy Construction Association's Equipment Rental Rates Guide & Membership Roster which is in effect at the time the Extra Work is performed unless a lower rate is negotiated.
 - 5.3.1.2 If a particular piece of equipment is not listed in the Equipment Rental Rates Guide & Membership Roster, a rate will be established by the Ministry before any work is carried out on Force Account. The rate established will then apply for the duration of the Contract.

- 5.3.1.3 The Contractor shall obtain approval in writing for equipment hired at rental rates exceeding those contained in the Equipment Rental Rates Guide & Membership Roster prior to any work being done on Force Account.
- 5.3.1.4 Except as provided in the Equipment Rental Rates Guide & Membership Roster, no allowance will be made for small tools and manual equipment.
- 5.3.1.5 Rental time of equipment working on an hourly basis will be recorded to the nearest half-hour.
- 5.3.1.6 Equipment listed at a daily rate will be compensated at 50% of the daily rate when required for a period of 5 hours or less in a day, and at 100% of the daily rates when required for more than 5 hours in a day.
- 5.3.1.7 Further surcharges to the adjusted hourly or daily rates will be allowed as follows for equipment not normally required for the execution of the Contract:
 - 5.3.1.7.1 If employment period does not exceed 10 hours or one day, a surcharge of 30% will apply.
 - 5.3.1.7.2 If employment period does not exceed 30 hours or 3 days, a surcharge of 20% will apply.
 - 5.3.1.7.3 The above surcharges are not cumulative.
- 5.3.1.8 Payment will not be made for attachments on a unit, which are not required for the Force Account Work.
- 5.3.1.9 The adjusted equipment rental rate will be full compensation for the equipment operator and the supply of fuel, lubricants, servicing, repairs, replacement parts and materials necessary for the correct operation of the equipment unless it is specifically stated otherwise in the Equipment Rental Rates Guide & Membership Roster.
- 5.3.2 For labourers, supervisors and superintendents; and for equipment operators where the operator's cost is not included in the equipment rental rate; the Contractor will be paid at the labour rate stipulated in the Equipment Rental Rates Guide & Membership Roster which is in effect at

the time the Extra Work is performed. The labour rate will be all-inclusive including all surcharges and board loss.

- 5.3.3 For all materials purchased by the Contractor and used on Force Account Work which is accepted by the Engineer, the Contractor will receive the actual cost of the materials delivered on the Project, including freight and hauling charges as shown by original receipted bills, plus 10%.

5.4 The following records shall pertain to Force Account Work:

- 5.4.1 Force Account Equipment Registration Forms shall be submitted by the Contractor for all equipment to be used on Force Account Work for the Ministry to establish the basic rental rates.

- 5.4.1.1 Attachments for which there is a separate rate shall be listed separately from the basic equipment.

- 5.4.2 Work to be done on a Force Account basis must be authorized in writing by the Engineer before its commencement.

- 5.4.3 The type and quantity of equipment used on a Force Account basis will be subject to the approval of the Engineer.

- 5.4.4 Daily statements of Force Account hours shall be submitted to the Engineer for approval on the next working day.

- 5.4.5 The cost of labour and equipment rental charges shall be furnished by the Contractor on the standard Force Account forms provided by the Ministry.

- 5.4.6 Accounts for Force Account Work shall be submitted to the Ministry for payment within 30 days from the date on which such Force Account Work was completed.

- 5.4.7 The Engineer may provide and place a timekeeper or timekeepers on the Work for the purpose of keeping records of the costs of such Force Account Work.

- 5.4.8 The Contractor shall furnish original receipted bills to verify the cost of materials used on the Force Account Work.

- 5.5 The Contractor shall not be entitled to anticipated profits which employees or equipment might have earned through not having been employed on Force Account Work.

6 PARTIAL PAYMENTS

- 6.1 Payments to the Contractor will be made monthly or more frequently if agreed to by the Ministry. All payments for materials furnished and work performed will be based on estimates prepared and certified by the Engineer. The monthly estimates and payments are approximate only but will be as close to the actual value as is practicable, and will be subject to correction in the final estimate and payment.
- 6.2 In addition to any other holdback permitted by the Contract, 10% of the monthly amount of each progressive estimate will be retained by the Ministry as a holdback until the Work is completed and has been accepted by the Engineer.
- 6.3 Upon Final Completion of the Work, the holdback retained by the Ministry may be reduced to 5% of the value of the Work performed or \$250,000, whichever is less, except for any other holdback permitted by the Contract. The remaining holdback will be retained until final payment is made.

7 FINAL PAYMENT

- 7.1 Final payment will be made at the earliest practicable date following Final Completion. The Contractor will be paid the entire sum due after deducting all previous payments and all amounts to be retained or deducted under the provisions of the Contract. Such final payment will be known as the "Final Estimate".
- 7.2 A surcharge will be added to the total Contract Force Account amount (if that amount equals or exceeds \$100.00) on the Final Estimate to compensate the Contractor for additional Performance Bond and Labour & Material Payment Bond premiums. The surcharge rate will be as indicated in the Special Provisions and will be subject to change.
- 7.3 The Contractor will be paid interest on the Final Estimate at an interest rate 3% more than the interest rate charged by the Bank of Canada to chartered banks, calculated on an annual basis.
- 7.4 Interest payable pursuant to Subsection 1800.7.3 will begin to accrue after the later of:
 - 7.4.1 10 days after the Contractor has provided a statutory declaration to the Ministry declaring that all claims against the Contractor have been paid or, if not paid, that security for payment has been provided to the creditor; or
 - 7.4.2 the 60th day after the date of Final Completion of the Work by the Engineer.

7.5 Interest payable pursuant to Subsection 1800.7.3 will cease to accrue after the later of:

7.5.1 10 days after receipt of clearance required under The Provincial Sales Tax Act and The Workers' Compensation Act, 2013; or

7.5.2 10 days after certification of the Final Estimate by the Engineer.

7.6 If the Contractor fails to submit a statutory declaration to the Ministry within 2 years of Final Completion of the Work declaring that all claims or accounts of indebtedness by reason of the Contract have been fully paid or satisfactorily secured, final payment will, subject to the provisions of Subsection 1900.5.2, be made and the Contract will be considered closed.

7.7 The Crown shall have the right to deduct any money owing by the Contractor as a result of any breach of this Contract from any sum owing to the Contractor by the Crown or any of its agents, whether such money is owing to the Contractor pursuant to this Contract or otherwise.

8 FUEL TAX INCREASE REBATES

8.1 Rebate claims for tax increases on propane, bunker fuel, gasoline or diesel fuel will be considered by the Ministry subject to the following:

8.1.1 Fuel used in trucks will not be considered as part of the claim.

8.1.2 Only price increases announced after the date of bid closing will be considered.

8.1.3 Claims with a value, after review, of less than \$500 will not be paid.

8.1.4 Claims or a letter of intent to claim must be submitted within 90 days of Final Completion of the Work.

8.1.5 Claims will only be considered if the Contractor provides documentation on the total quantity of fuel purchased along with a summary of fuel which was used in equipment other than trucks.

8.1.6 Claim forms will be provided by the Ministry.

8.1.7 Rebates will not be made for fuels purchased before the effective date of any tax increase or for fuels purchased after the Specified Final Completion Date

9 DIESEL FUEL ADJUSTMENT

- 9.1 Adjustments for diesel fuel cost changes will be made to each progressive estimate, if indicated as such in the Special Provisions, subject to the following conditions:
- 9.1.1 A week shall be defined as Monday to the following Sunday.
 - 9.1.2 Weekly prices will be established each Monday by the Ministry and will be in effect until the following Sunday.
 - 9.1.3 The Ministry will establish a “Set Price” for the Contract based on the most recent weekly price for diesel fuel on the date the Bids for the Contract are opened.
 - 9.1.4 The Ministry will establish an “Actual Price” for each progressive estimate reporting period based on the weekly price of diesel fuel in accordance with the following:
 - 9.1.4.1 The weekly diesel fuel prices for each portion of a week included in a progressive estimate reporting period will be averaged and shall be considered as the Actual Price applicable for that progressive estimate.
 - 9.1.5 The weekly prices established by the Ministry will be obtained from an industry expert independent source for the Canada Standard Rack price of low sulphur diesel fuel at Regina, including all taxes except GST. These prices will not necessarily reflect the Contractor’s actual prices paid for diesel fuel, but are intended to be a valid comparison of diesel fuel price trends between the time of bidding and the period of work.
 - 9.1.5.1 The Ministry will not consider fuel invoices submitted by the Contractor.
 - 9.1.6 All adjustments for a diesel fuel cost change will be based on the “Consumption Rate” for the applicable Contract Items and any other work as indicated in the Special Provisions.
 - 9.1.7 If the price of diesel fuel changes by more than 7% from the Set Price to the Actual Price for any progressive estimate reporting period excluding the Final Estimate, an adjustment for a diesel fuel cost change will be applied to the corresponding progressive estimate.

- 9.1.7.1 If the Actual Price is greater than 107% of the Set Price, the adjustment paid to the Contractor by the Ministry will be:

Progressive Estimate Adjustment = [Actual Price – (1.07 X Set Price)] X Progress Quantity X Consumption Rate

- 9.1.7.2 If the Actual Price is less than 93% of the Set Price, the adjustment paid to the Ministry by the Contractor will be:

Progressive Estimate Adjustment = [(0.93 X Set Price) – Actual Price] X Progress Quantity X Consumption Rate

- 9.1.7.3 If the Actual Price is within 7% of the Set Price, no adjustment will be applied to the corresponding progressive estimate.

- 9.1.8 Adjustments for a diesel fuel cost change for any quantities remaining for payment on the Final Estimate shall be made in accordance with the following:

- 9.1.8.1 The Actual Price established for each progressive estimate shall be averaged and shall be considered as the “Average Actual Price” applicable to the Final Estimate.

- 9.1.8.2 If the Average Actual Price is greater than 107% of the Set Price, an adjustment will be paid to the Contractor by the Ministry on the Final Estimate based on any quantities remaining to be paid. The adjustment will be:

Final Estimate Adjustment = [Average Actual Price – (1.07 X Set Price)] X Remaining Final Estimate Quantity X Consumption Rate

- 9.1.8.3 If the Average Actual Price is less than 93% of the Set Price, an adjustment will be paid to the Ministry by the Contractor based on any quantities remaining to be paid on the Final Estimate. The adjustment will be:

Final Estimate Adjustment = [(0.93 X Set Price) – Average Actual Price] X Remaining Final Estimate Quantity X Consumption Rate

- 9.1.8.4 If the Average Actual Price is within 7% of the Set Price, no adjustment will be applied to the Final Estimate.