

Date: 21 December 2023
File ref.: CPB-1005-LET-0471

Attention: Craig Ramm, Engineer Representative
Worley Services Pty Ltd
Level 1, 93-95 William Street
Perth WA 6000

Dear Craig,

CONTRACT NO: WR/C/CC/1005
WESTERN RANGE PROJECT – MAIN INFRASTRUCTURE BULK EARTHWORKS
Clause 9.2 Notice of Variation; Clause 56.2(a) Notice of anticipated delay

REFERENCE: VAR-0231/NOD-0231

VARIATION: Interim Re-Measure

The Contractor refers to Aconex Mail Number WR-PRCO-001898, dated 12 December 2023, wherein the Contractor has been requested to execute Contract Variation CV-009. The Contractor is unable to execute this Variation, as drafted, for several reasons. Firstly, the Contractor does not believe CV-009 accurately addresses all the implications of the Scope Reduction Direction. The Contractor provides the following comments:

- The Contractor disagrees with the take-out quantities associated with the section of HV02A which has been removed from the Contractors Scope.
- The Contractor notes there have been no associated increases to quantities wherein activities have already been completed and certified over and above the Contract quantity.
- The Contractor notes further auxiliary impacts associated with Scope Reduction which need to be discussed / addressed, including but not limited to the following:
 - Delivery / unload / double handle of CSP culverts.
 - Under recovery of costs associated with Contractor's other Works, including:
 - Material screening.
 - Haul road maintenance.

Additionally, the Contractor is concerned that they have not yet received Contract Variations pertaining to quantity increases in other areas of the Works.

In order to assist the Engineer, reconcile the extent of the re-measurable works, the Contractor hereby provides an interim re-measure, including new Pay Items where applicable. Please refer to **Attachment 1**. The estimated increase to the Contract Price associated with the interim re-measure is **\$12,394,450.55**, when reconciled against Contract Variation CV-008.

The Contractor advises the interim re-measure includes a number of Variations previously submitted to the Engineer. To avoid duplication, the Contractor has reconciled any such Variations within **Attachment 2**. The Contractor has also identified where a residual value remains against each specific Variation. The Contractor has endeavored to reconcile all submitted Variations as accurately as possible, however the Contractor

anticipates that there may be some inconsistencies and welcomes any comments from the Engineer. Additionally, the Contractor notes there are some residual claim values against Approved Site Instructions still to be agreed.

The Contractor has considered some of the changes to the mass haul, as listed below. However, the Contractor acknowledges a more thorough reconciliation of mass haul will be required towards the completion of the Project:

- Utilisation of CV702 / 4W as cut material and associated changes to borrow material within the following areas: CV702 / CV703 & HV01.
- Estimated additional mass haul extra over allowance has been made for the works from CV702 cut.

The Contractor also notes that the re-measure is based on REV 0 of the design model. However, Contractor is currently working to REV 1 design model and the quantities associated with this model revision are still under development.

The Contractor advises that this is an interim re-measure only, to provide the Engineer with a more accurate order of magnitude Cost Impact associated with Schedule A.2 Schedule of Rates. The Contractor notes that no consideration has yet been given to the following:

- Delays / impediments to load and haul operations due to AR restrictions / single lane haulage / road conditions.
- Increased complexity of fill operations – including additional table drains / batters / batter slopes / ramps / increased grade changes.
- Schedule changes / re-works and scope changes (including deleted scope) related to the CSP's Works.
- Specific exclusions that may be noted within relevant correspondence pertaining to any of the Variations listed in **Attachment 2**.
- Delay / prolongation / acceleration impacts associated with any of the Variations and changes identified here-in.

The Contractor generally notes that many of the Contract Pay Items in Schedule A.2 are no longer applicable to the Works being performed. The Contractor reserves their rights to review all Contract Pay Items upon completion of the Works.

The Contractor intends to continue to claim for works performed using available Contract Pay Items within future Progress Claims, wherever practical.

The Contractor reserves all its rights under the Contract and at law.

Yours sincerely,

CPB Contractors Pty Ltd



Richard Walford

Contractor's Representative

Att.:

ATTACHMENT 1	Interim Re-Measure
ATTACHMENT 2	Residual Variations
ANNEXURE 1	Supplementary Information

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Contract No. WR/C/CC/1005 – Main Infrastructure Bulk Earthworks

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