

SOUTH AFRICAN ROAD FEDERATION

SYMPOSIUM ON THE PREPARATION OF CONTRACT DOCUMENTATION

AND ADMINISTRATION OF CIVIL ENGINEERING CONTRACTS

CHAPTER 16: MODEL LETTERS

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MODEL LETTERS

(The following two model letters illustrate the extent to which letters required in terms of GCC 2010) can and should be based on the detailed text of the relevant clauses of GCC 2010).

1. CONTRACTOR TO ENGINEER [CLAIM IN TERMS OF GCC 2010]

The Engineer
(Address)

Dear Sir,

Name of Authority (Employer)
Contract No SARF 12345678:
Construction of Services to Extension 5.
Claim No 12: Suspension of Work by the Engineer in February 2012

1. In terms of CI 10.1.1.1 of the General Conditions of Contract, we hereby give notice of a claim for additional payment or compensation as follows:-

1.1 Particulars of the circumstance, event, act or omission giving rise to the claim.

The details given here must support the clause references given in para 1.2

1.2 Provisions of the contract on which we rely in making the claim.

Claims in terms of CI 10.1 must be either for an extension of time or for additional payment or compensation in terms of any clause making reference to e.g.:

*Additional cost due to differences in data from Tender Documents
Additional cost due to ambiguity in documents
Additional cost due to delay in handing over Site
Cost of rectification of setting-out due to Engineer's error
Cost due to Engineer's delay in delivering drawings, specifications or instructions
Cost in relation to fossils
Additional cost due to Engineer's failure to attend covering up of work
Cost of uncovering non-defective work
Additional cost due to suspension of work by the Engineer
Additional cost of delays attributable to the Employer
Additional cost due to adverse physical conditions or artificial obstructions
Increased costs arising from war or a state of emergency*

1.3 Length of extension of time claimed and the basis of the calculation thereof.

Differentiate between the "delay" that occurred and the "extension" being claimed; clarify whether any extension claimed is in working days, calendar days or is to a specific date.

1.4 Amount of money claimed and the basis of the calculation thereof.

State with regard to any amounts whether they are at time of tender, time of event or current and adjust in accordance with the Contract's CPA provisions.

2. *(this paragraph is used only if CI 10.1.1.2 applies)* With regard to paras ?? above *(refer to paras as applicable)* we cannot reasonably comply with all the provisions of CI 10.1.1.1 within the 28

day period allowed but will do so as soon as practicable; the reasons for this non-compliance are the nature and circumstances of the claim ie *(detail as relevant)*

3. *(this paragraph is used only if CI 10.1.1.3 applies)* As the events and circumstances relating to the claim are of an ongoing nature, we will provide you, at the end of each month, with updated particulars as required in terms of CI 10.1.1.1.

4. *(this paragraph is used only if CI 10.1.2 applies)* This claim is being submitted more than 28 days after the circumstances, event, act or omission giving rise to our claim since we were not and could not reasonably have been aware of the implications at the time. We could reasonably have become aware on *(date)* when *(detail relevant circumstances arising)* and thus the 28 day period runs from that date.

5. In terms of CI 10.1.5 we will expect your written and adequately reasoned ruling within 28 days after you have received our final detailed claim submitted in terms of CI 10.1.1.

Yours Faithfully,

CONTRACTOR

2. CONTRACTOR TO ENGINEER [DISAGREEMENT IN TERMS OF GCC 2010]

The Engineer
(Address)

Dear Sir,

Name of Authority (Employer)
Contact No SARF 12345678:
Construction of Services to Extension 5.
Notice of Disagreement No 13: Additional Cost Determination
wrt New Public Holidays

1. In terms of CI 10.2 of the General Conditions of Contract, we hereby require you to give consideration to the following dissatisfaction claim:

1.1 Particulars of the cause of the dissatisfaction claim.

CI 10.2.2 requires this notice to be given within 28 days “after the cause of the dissatisfaction”. Particulars given must support the clause references in paragraph 2.

1.2 Provisions of the contract on which we rely in giving this notice.

CI 10.2 dissatisfaction claims are with respect to “any matter not required to be dealt with in terms of CI 10.1 . A dissatisfaction could arise with respect to aspects such as:-

*Determination by the Engineer of costs incurred by the Employer in doing urgent remedial work
Rates or prices determined by the Engineer in valuing variations
Rates determined by the Engineer for the use of Construction Equipment for Daywork
Reduction in penalty determined by the Engineer
Additional or reduced costs determined by the Engineer arising due to changes in legislation
Determination of final measurements by the Engineer
Adjustment to P & G sums by the Engineer when variations exceed 15%
Determination by the Engineer of fair value payable for work during Defects Liability Period*

This is not a comprehensive listing of all potential dissatisfaction claim situations.

1.3 Length of extension of time claimed and the basis of the calculation thereof.

Differentiate between the “delay” that occurred and the “extension” being claimed; clarify whether any extension claimed is in working days, calendar days or is to a specific date. State whether claim is additional to what has already been allowed by the Engineer or whether it is the full claim with respect to the circumstances.

1.4 Amount of money claimed and the basis of the calculation thereof.

State with regard to any amounts whether they are at time of tender, time of event or current and adjust in accordance with the Contract’s CPA provisions. State whether claim is additional to what has already been allowed by the Engineer or whether it is the full claim with respect to the circumstances.

2. In terms of CI 10.2.3 we will expect your written and adequately reasoned ruling relating to this dissatisfaction claim within 28 days of the date of your receipt of this letter.

Yours Faithfully,

CONTRACTOR