

06 February 2023

Premium Consulting Engineers
Suite 802, 299 Sussex Street, Sydney, NSW 2000

ATTENTION: FELIX YE

Dear Felix,

**71-71A Queenscliff Road, Queenscliff
HYDRAULIC AND FIRE ENGINEERING SERVICES PROPOSAL**

INTRODUCTION

As per your email, we are pleased to present for your consideration our fee proposal for the engineering services consultancy associated with the proposed residential development at 71-71A Queenscliff Road, Queenscliff including:

- Hydraulic Services
- Fire Protection Services

Surex engineers have a proven track record in successfully delivering quality documentation for various type of buildings such as small to medium size commercial buildings. A key to our success is allocating sufficient time for our team to plan the project delivery and assigning suitably experienced senior personnel to lead our Project Team. This allows us to focus on delivering design information/documentation that are commercially viable, meet the market expectations and respond to our client's needs.

The project team members will seek to 'Add Value' during each step of the design process. Our approach to identifying requirements, defining project aims and meeting our client's needs is embedded in our process, and a big part of who we are. Our project engineers are experienced, responsive and understand the critical issues to a constructor developing design solutions.

Based on our preliminary review of the project, it is expected that the project is required to have a clear and compliance set of building services drawings. We need the copy of the civil package for developing the stormwater system within the development.

We will consider the possibility of extending the street fire hydrant for protection by obtaining the pressure and flow statement from Sydney Water. If the pressure and flow or hose coverage are not met the standards, we will be looking at other options and we will advise Premium Consulting for the impact on the building.

SCOPE OF PROJECT WORKS

We understand that the project comprises a 3-storey development with two basements car park levels and 14 apartments. Our scope of professional services as below:

Hydraulic Engineering Services

- Services Utilities connections for sewer and water (in collaboration with the Water Services Coordinator).
- Sub-metering for the units in accordance with authority requirement.
- Sanitary plumbing and drainage systems.
- Domestic hot water systems.
- Hot and cold-water reticulation.
- Miscellaneous cold-water points as required
- Gas reticulation.
- Roof drainage and connection to civil stormwater infrastructure only.

Fire Protection Services

- Fire Service connection to serve the building's fire protection services.
- Booster Assembly if required upon receiving the pressure and flow statement.
- Fire pump if required.
- Fire hydrant and hose reel system.
- Portable fire extinguishers and fire blankets.
- Automatic fire detection and alarm system if required.
- Emergency warning system if required.

SCOPE OF PROFESSIONAL SERVICES

Concept design

- Generation of design concepts in PDF format.

Deliverables

- Sketches of major plant to support feasibility assessment reporting.
- PDF markup for all services to incorporate into architectural drawings.

Meetings / Inspections

- Design meetings with the client (1 allowed).

Construction Package

- Further development of engineering solutions for each space including associated engineering calculations.
- General liaison and coordination with project design team and Client representatives.
- Final services coordination.
- Design certifications.
- Further development of the concept design.
- Preparation of final building services specifications.

Deliverables

- Construction package drawings including plant weight and size, clearance and access requirements for the builder to price based on.

Meetings / Inspections

- One(l) x virtual meeting allowed.

Contract Administration & Construction Support (if required)

- Written responses to RFI's received.
- Review of shop drawings, work method statements and final design details prepared by services sub-contractors (1x round of review allowed per discipline).
- Review of Operation and Maintenance Manuals and 'as-installed' drawings.
- General liaison with project design team and Client representatives as required.

- Conduct 1 defect site inspection for all disciplines.

Deliverables

- Comments on shop drawings.
- Comments on as-built drawings.
- Comments on O&M manuals.
- Written response to all RFI's.
- Defect inspection report.

FEES FOR PROFESSIONAL SERVICES

We have based our proposed fees for professional services on the Scope of Project Works and Scope of Professional Services as described within.

We propose a fixed fee for professional services as follows:

Phase	Hydraulic	Fire	Total (Excl. GST)
Concept Design	\$ 2,500	\$ 1,500	\$4,000
Construction Drawings	\$ 7,500	\$ 6,500	\$14,000
Contract Administration & Construction Support (if required)	\$ 1,200	\$ 1,200	\$2,400
TOTAL (excl. GST)	\$11,200	\$9,200	\$20,300

HOURLY RATES

For additional works outside of the project agreed scope, the following hourly rates are applicable for the duration of the contract:

Director	\$220.00 per hour + GST
Associate / Senior Engineer / Senior Designer	\$170.00 per hour + GST
Engineer / Designer	\$130.00 per hour + GST
AutoCAD Drafter	\$110.00 per hour + GST

Qualifications

- i. Total of 1 set of PDF markups (Concept), and 1 set of AutoCAD drawings (Construction) have been allowed for. Additional revisions to our drawings will be subject to a variation.
- ii. Any invoice amount is deemed to be expensed exclusive of Goods and Services Tax (GST) except as otherwise stated.
- iii. This quotation is provided on the condition that Surex's Contract Details and Contract Terms (Contract Terms) attached to this quotation will apply. Acceptance of this quotation constitutes acceptance of the Contract Terms. The offer to perform the works pursuant to this quotation is open for a period of 90 days from the date of provision of this quotation. Surex may at its discretion extend this offer in writing, but any such extension may involve an adjustment in the fee.
- iv. Fees are based on the project being procured as a single package / stage. Fees assume the project program will be in accordance with project briefing materials and continuous without interruption or delay. Should the project be split into multiple stages of design or construction, delayed or placed on hold, remobilisation fees may be applicable to account for workforce planning, additional engineering effort and resource rescheduling.
- v. Two review of contractor submissions including shop drawings, defect inspections, samples, technical data, operating and maintenance manuals is allowed for. Additional fees may apply for subsequent assessments as a result of incomplete or poor-quality submissions. Surex's review does not absolve the requirement for the contractor to comply with the specification, client brief or general design intent.
- vi. Surex reserves the right to review and comment on contractor submissions including, but not limited to, inclusions, exclusions, cost and technical data. Additional fees may be applicable for any additional engineering effort required during construction phase or post occupancy to rectify items which deviate from Surex's contract documentation.
- vii. Alternative equipment and materials proposed by contractors which deviate from our specification will not form part of Surex's certification of the project unless otherwise agreed in writing.
- viii. Preparation of as-constructed documentation, asset registers and workshop drawings is excluded.
- ix. Defects Liability Phase involvement is not included unless identified within the Scope of Professional Services within.
- x. We have allowed only to design and document in accordance with the Deemed-to-Satisfy Provisions of the NCC and/or as directed by the authorities having jurisdiction (e.g. building certifier/ surveyor, fire authority, technical regulators, etc.), unless otherwise noted within the Scope of Professional Services. No allowance has been made to develop or document Performance Solutions to achieve compliance with the National Construction Code (NCC) unless otherwise noted. Development of Performance Solutions requires additional time for design, consideration of risk, consultation with stakeholders and documentation of decisions, and therefore additional fees would be applicable.
- xi. Allowance for development and documentation of Performance Solutions has been made only to the extent detailed within the Scope of Professional Services above. Should any additional analysis

or Performance Solutions be required or requested by the project team, Surex reserves the right to negotiate additional fees.

- xii. Detailed design of NBN pathways and / or NBN pit and pipe designs or formal NBN submissions is not included. An optional fee has been provided for this service.
- xiii. We have made no allowance to make any application to the relevant fire authority to seek comment/approval for any departures from the DTS Provisions of the NCC or referenced standards associated with provisions for firefighting. Should this be required, additional fees will be applicable.
- xiv. Following items are excluded from this submission:
 - Site survey of underground services.
 - Specialist lighting design.
 - Diversions, extensions, or upgrades to Authorities Mains if required.
 - Hearing augmentation system.
 - Authority fees.
 - Audio visual system design.
 - Demolition plans.
 - Road and street lighting.
 - As-built documentation.
 - Vertical transportation.
 - Flood modelling and MUSIC model including the overland overflow.
 - Civil design including the in-ground storm water or stormwater reticulation.
 - Any external works to site boundary.
 - Workshop and penetration drawings.
 - Maintenance manuals.
 - Recycle water design and assessing the water quality.
 - Water Services Coordination – Section 73 application.
 - ASP Level 3 design.

EXECUTION BY BIDDER

We hereby offer to supply the services described in this proposal at the fee offered in the relative section, as per Surex's terms of engagement enclosed. This offer remains open for acceptance for 60 calendar day from the submission date.

We trust the above is satisfactory and thank you for the opportunity to submit a fee proposal for this project. Please contact the undersigned should you require further information.

Yours faithfully

Surex Consulting Pty Ltd



Mehdi Zeinali

Director

CLIENT ACCEPTANCE

We _____ confirm the acceptance of
(Company Name)

Surex Consulting Pty Ltd's fee proposal for the Building services work described in the scope of works.

Dated: _____

Name of Authorised Person: _____

Position: _____

Signature: _____

Date: _____

Contract Details and Contract Terms

Contract Terms

Definitions and interpretations

Claim includes, without limitation, any claim in relation to loss and damage, expense or costs (including at common law, in equity or under statute, and including any claim for negligence).

Client means the entity listed at item 1 of the first page of this document entitled 'Contract Details'.

Contract means the Quotation, the Contract Details and Contract Terms and Other Contract Documents.

Contract Details and Contract Terms means this document.

Deliverables means those things required under this *Contract* to be handed over to the *Client* by *Surex*.

Direction means any agreement, approval, authorisation, decision, determination, instruction, order, permission, rejection, request or requirement, given or made by the *Client*.

Fee means the money payable under this *Contract* for the performance of the *Services* (as adjusted pursuant to this *Contract*).

Insolvency Event means:

- (a) where a party informs the other in writing that the party is insolvent or is financially unable to proceed with the *Contract*;
- (b) where a party being an individual or a partnership:
 - commits an act of bankruptcy;
 - i. is made bankrupt; or
 - ii. has bankruptcy proceedings commenced against him.
- (c) where a party being a corporation:
 - i. notice is given of a meeting of creditors regarding the corporation entering into a deed of company arrangement;
 - ii. it enters into a deed of company arrangement;
 - iii. an administrator (or other like insolvency practitioner) is appointed;
 - iv. an application to wind up the corporation is made;
 - v. a winding up order is made; or
 - vi. it resolves to be voluntarily wound up (other than a voluntary winding up for the purpose of reconstruction or amalgamation).

Law or Regulatory Obligation includes (without limitation) the Building Code of Australia, the National Construction Code of Australia, any relevant Australian standards, approved conditions, use or application, or the guidelines, practice notes or the like of any relevant building authority or other regulatory body.

Surex means the entity listed at item 3 of the Contract Details.

Other Contract Documents means any other documents intended to form part of the *Contract*.

Product includes without limitation any building products and, for the avoidance of doubt, includes plant and equipment.

Quotation means the quotation issued by *Surex* to the *Client*.

Services means the services described in the *Quotation* (and subject to stated qualifications and exclusions) including the supply of the *Deliverables* and subject to *Surex's* continuous engagement for no greater than the duration of any contract program the subject of the *Quotation*.

Requirement means any requirement of a *Product* including (but not limited to) requirements as to a *Product's* fitness for purpose, a *Product's* qualities, its properties or the like.

Variation means a change to the *Services* (including due to legislative changes).

- i. *Surex* must perform the *Services* in accordance with this *Contract*.
- ii. The *Client* must pay *Surex* in accordance with this *Contract*.
- iii. *Surex* must perform the *Services* with care, skill and diligence, in a timely manner, to the standard reasonably expected of a competent professional in the technical field relating to the *Services*.

- iv. Despite any other provision of the *Contract*, to the extent permitted by law, *Surex* is excluded from liability and otherwise released and held harmless by the *Client* for any *Claim* in relation to or associated with a *Product* which does not conform to a *Requirement*, if the *Product* manufacturer or supplier informed *Surex* (directly or through its documentation or materials) that the *Requirement* would be met. This exclusion applies irrespective of whether *Surex* specifies, approves or permits use of the *Product*.
- v. Despite any other provision of the *Contract*, to the extent permitted by law, *Surex* is excluded from liability and otherwise released and held harmless by the *Client* for any *Claim* in relation to or associated with a *Product* which does not comply with, or is used in a manner that does not comply with, any *Law or Regulatory Obligation*, other than (and only to the extent that):
 - (a) *Surex* expressly and unconditionally specifies or approves the *Product* and/or its proposed use in a manner that does not comply with a *Law or Regulatory Obligation*;
 - (b) In so specifying or approving, *Surex* fails to exercise care, skill and diligence to the standard reasonably expected of a competent professional in the technical field relating to the *Services*; and
 - (c) The specification or approval of the *Product* or its use manner of use was not reasonably based on information from the *Product* supplier or manufacturer.
- vi. Despite any other provision of the *Contract*, to the extent permitted by law, *Surex* is excluded from liability and otherwise released and held harmless by the *Client* for any *Claim* in relation to or associated with any:
 - (a) Energy modelling or financial forecasting undertaken by or on behalf of *Surex* under or in relation to the *Contract*; and
 - (b) Estimations undertaken by or on behalf of *Surex* under or in relation to the *Contract* (including estimations of the costs of construction or other cost estimates), unless such estimates have been approved by a quantity surveyor who is a member of the Australian Institute of Quantity Surveyors.
- vii. *Surex* does not warrant and does not make any representation in relation to:
 - (a) *Product* conformance or compliance (other than in the circumstances and to the extent provided by 4 and 5 above);
 - (b) Energy modelling and financial forecasting; and
 - (c) Estimations, unless such estimates have been approved by a quantity surveyor who is a member of the Australian Institute of Quantity Surveyors.
- viii. If and to the extent that *Surex's* liability is not excluded under clauses 4 to 7 above (including if and to the extent that such clauses are not enforceable), and subject to the consequential loss, apportionment and time bar limitations of the *Contract*, *Surex's* maximum liability for any *Claim* in relation to the matters the subject of 4 to 7 above is capped to the lesser of the total of the *Fee*.
- ix. These terms apply regardless of whether the agreement is executed. The provision of instructions by the *Client* to *Surex* to perform the *Services* (expressly or otherwise) will constitute acceptance of these terms.
- x. In the event that the *Services* were performed (in whole or in part) prior to the terms of this agreement being accepted, the terms of this agreement shall apply retrospectively.
- xi. The *Client* may give *Directions* to *Surex* at any time.

- xii. *Directions* may be oral except where otherwise stated in this *Contract*.
- xiii. *Surex* must comply with all reasonable *Directions* given in accordance with this *Contract*.
- xiv. The *Client* may direct *Surex* to perform a *Variation*.
- xv. A *Variation* must be directed by the *Client* to *Surex* in writing.
- xvi. The *Fee* must be adjusted for each *Variation*.
- xvii. *Surex* is not obliged to perform a *Variation* that is outside the scope of the *Quotation*.
- xviii. *Surex* will issue invoices to the *Client* on or around the 20th day of each calendar month (subject to *Surex*'s sole discretion to vary billing practices) for the *Services* that will be completed up to the end of that calendar month.
- xix. The *Client* must pay the amount on each invoice to *Surex* within 14 days of *Surex* issuing the invoice.
- xx. The rate of interest for overdue payments is 12% per annum compounding monthly.
- xxi. All disbursements and similar expenses shall be in addition to the *Fee* and recoverable at cost plus 10% or \$250.00+GST (whichever the greater) unless otherwise agreed in the fee offer. All such fees will be agreed prior and approval sought from the relevant project stakeholders, unless it is not reasonably necessary or appropriate in the circumstances.
- xxii. The *Client* indemnifies *Surex* in relation to any failure to make payment to *Surex* in accordance with the terms of the *Contract* (including all costs incurred by *Surex* in the recovery of monies including debt recovery costs).
- xxiii. *Surex* may suspend performance of the *Services* if the *Client* fails to make payment within 60 calendar days of that payment falling due and payable.
- xxiv. In the event of any suspension by *Surex* for non-payment, the *Client* indemnifies *Surex* in relation to any loss or costs of suspension (including demobilisation and remobilisation and workforce and resource disruption costs/losses).
- xxv. The *Client* may suspend all or part of the *Services* by written notice to *Surex*. Upon receipt of the written notice, *Surex* will discontinue the *Services*. The *Client* indemnifies *Surex* in relation to any loss or costs of suspension (including demobilisation and remobilisation and workforce and resource disruption costs/losses). *Surex* must endeavour to minimise any costs associated with the suspension of *Services*.
- xxvi. If the *Services* are suspended for a consecutive period of 60 days or greater, *Surex* may terminate this *Contract*.
- xxvii. The *Services* do not include for changes to documentation required post construction issue, which may be attributed to the *Client*, purchaser changes, value management decisions or the like, and therefore will be at additional cost to the *Client* (unless expressly stated to be part of the *Services*).
- xxviii. The *Client* licenses to *Surex*, any intellectual property rights or client information as is necessary to enable *Surex* to perform the *Services* in accordance with this *Contract*.
- xxix. *Surex* retains any intellectual property rights created outside the terms of this *Contract* and used in performing the *Services*. *Surex* grants to the *Client*, a royalty-free non-exclusive licence to use such intellectual property rights for any purpose for which the *Services* are provided.
- xxx. *Surex* grants to the *Client* a royalty-free licence to use, adapt, reproduce, amend, publish and sublicense the *Deliverables* created by *Surex* for any purpose for which the *Services* are provided.
- xxxi. *Surex* and the *Client* must keep confidential all information which of its nature is confidential or which the parties ought reasonably to know is confidential, except where disclosure is required by law.
- xxxii. To the extent permitted by law, and despite any other terms of the *Contract*, *Surex* is released from any liability in connection with the *Services* at the expiration of 2 years from the completion of the *Services*, or termination of this *Contract*, whichever is the earlier.
- xxxiii. The *Client* must pay *Surex* for the *Services* without set off or deduction.
- xxxiv. *Surex* is not liable for liquidated damages (whether directly under the terms of the *Contract* or incurred by the *Client* which but for this clause the *Client* may otherwise seek recovery from *Surex* to the extent the *Client* considers *Surex* caused or contributed to such delays).
- xxxv. *Surex* is not liable for any consequential and indirect losses to the *Client*, howsoever caused.
- xxxvi. The liability of *Surex* to the *Client* arising under or in connection with this *Contract*, to the extent permitted by law, is limited proportionately to the extent to which *Surex* caused or contributed to any loss or damage, and subject always to the *Client*'s duty to mitigate loss (and subject to any other limitation as to liability provided by the *Contract*), and is capped at the total amount of the *Fee* (other than the matters specifically the subject of a separate cap as set out at clause 8).
- xxxvii. *Surex* is not required to provide security to the *Client* under the *Contract*.
- xxxviii. For the duration of this *Contract*, *Surex* must maintain the following policies of insurance:
 - (a) Public liability insurance for an amount not less than \$AUD20 million;
 - (b) Professional indemnity insurance for an amount not less than \$AUD2 million, exclusive of a cladding exclusion amendment;
 - (c) Professional indemnity insurance for an amount of \$AUD0.5 million in the aggregate, inclusive of Claims Investigation Costs, for claims arising directly or indirectly from advisory engagements associated with existing installations utilising non-compliant building products provided that the works are undertaken by a Registered Fire Safety Engineer.
- xxxix. Either *Surex* or the *Client* may terminate this *Contract* without notice if the other party is subject to an Insolvency Event.
- xl. The *Client* must not novate the *Contract*.
- xli. Any invoice amount is deemed to be expressed exclusive of Goods and Services Tax (GST) except as otherwise stated. The *Client* must pay any applicable GST.
- xlii. The *Contract* forms the entire contract between the *Client* and *Surex*.
- xliii. The law governing this *Contract* and its interpretation is the law of the state or territory where the *Services* are being performed, and both *Surex* and the *Client* irrevocably submit to the exclusive jurisdiction of courts exercising jurisdiction in that State or Territory.