

PARKES SHIRE COUNCIL



**2009/2010
HIRE OF EQUIPMENT
(PLANT AND TRUCKS)**

PART B

CONDITIONS OF CONTRACT

THE CLOSING DATE FOR TENDERS IS

**THURSDAY 9 JULY 2009
AT 10AM**

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CONDITIONS OF CONTRACT

1. DICTIONARY AND INTERPRETATION

The Dictionary in Attachment A:

- (a) Defines some of the terms used in this contract, and
- (b) Sets out the rules of interpretation which apply to this contract.

2. SCOPE OF CONTRACT

2.1 Supply of Services

The Contractor agrees to hire Equipment to PSC for the Term in accordance with this contract.

2.2 Contract Rates

The Contractor must hire Equipment at the Contract Rates inclusive of all taxes, insurance, operator's travel and accommodation, plus all other expenses and charges which may be incurred.

The Contractor warrants that the Contract Rates are sufficient to ensure the Contractor is able to meet all statutory requirements in respect of the Contractor's operators and employees.

However, to accommodate fluctuating fuel prices, Contractors engaged for gravel haulage/cartage and large items of plant may vary their rate in accordance with fuel increases as determined by the State Government Contract Price for diesel as of 1 July 2009. Variations shall be considered on a quarterly basis ie 30 September, 31 December and 31 March.

The formula permissible for variation of pricing shall be the difference between the quarterly increase of State Government Contract Price for diesel, shown as a percentage and divided by three (3). No other variation to the contract rates will be accepted.

2.3 Payment of Contract Rates

PSC agrees to pay the Contract Rates in accordance with this contract.

2.4 GST

- (a) In this clause, the expressions, "supply", and "taxable supply" have the meanings given in A New Tax System (Goods and Services Tax) Act 1999 (Cth).
- (b) The Contract Rates exclude GST and all amounts payable shall reflect the GST-exclusive market value of the taxable supply.
- (c) The Contractor must be registered for the purposes of the GST unless the Contractor is not required to be registered for GST, and has so notified PSC in its Tender Form.
- (d) The Contractor must notify PSC if it ceases to be registered for GST or if it ceases to comply with any of the requirements or any taxation ruling issued by a taxation authority relating to tax invoices.
- (e) In relation to taxable supplies made under this contract:
 - (i) PSC will issue a tax invoice for each taxable supply it makes to the Contractor without request.

- (ii) The Contractor must issue a claim to PSC for each payment of the Fee at or before the time that payment is due but such claim shall not create a GST liability.
- (f) If the Contractor does not include its Australian Business Number on its invoices, PSC will withhold tax from payments in accordance with the A New Tax System (Pay As You Go) Act 1999 (Cth).

3. CONTRACTOR'S OBLIGATIONS

3.1 General Obligations

The Contractor must:

- (a) **Act with Diligence** - perform the Equipment Hire Services in accordance with this contract in a diligent and competent manner and with all reasonable skill and care.
- (b) **Provide Resources** - provide, manage and maintain sufficient resources including human resource to enable it to fulfil its obligations under this contract.
- (c) **Maintain Licenses** – procure and maintain all licenses required from all regulatory authorities, for the provision by the Contractor of the Equipment Hire Services.
- (d) **Maintenance** - provide or ensure all Equipment are maintained so that they comply with the Equipment Requirements.
- (e) **Comply with Laws** - comply with any laws applicable to the supply of the Equipment Hire Services and particularly, the Occupational Health & Safety Requirements and Environment Requirements.
- (f) **Comply With This Contract** – comply with all provisions under this contract.
- (g) **Comply With PSC** – comply with Council's Occupational Health and Safety Policy, Contractor Management Policy, Sun Protection Policy and comply with all reasonable directions given by PSC.

3.2 Change of name

If the Contractor has changed its name, it must immediately notify PSC in writing and supply a copy of the Certificate of Registration on Change of Name issued by the Australian Securities and Investments Commission to PSC.

4. TERMS OF EQUIPMENT HIRE

4.1 Availability of Equipment

- (a) Before placing an Permit to Work, PSC will contact the Contractor or the Contractor's Representative to ascertain whether the Equipment is available for hire.
- (b) If the Contractor advises that the Equipment:
 - (i) Is not available for hire for whatever reason, the Contractor is under no obligation to make the Equipment available. This does not constitute a breach of the Contractor's obligations under this contract.
 - (ii) Is available for hire, the Contractor may be asked to quote for transportation of the Equipment to and from site. This may be considered when PSC decides whether to hire the Equipment from the Contractor or another Contractor on the database. If PSC accepts the Contractor's quote, PSC will require the Contractor to complete a Permit to Work and a Direct Credit Authority and fax them to the hiring office.

Failure to complete a Permit to Work to the hiring office prior to any Hire may result in the Contractor being excluded from the selection of that Hire or any future Hires.

If the Permit to Work is accepted, PSC will fax you an External Hire Order. You do not need to sign and return the External Hire Order to PSC if you are satisfied with all details on it.

4.2 Hire of Equipment

- (a) Once PSC has ascertained that the Equipment is available, it will order Equipment using an Permit to Work containing:
 - (i) Location of Site
 - (ii) PSC contact name and details of Supervisor
 - (iii) Details of Equipment and other relevant details
 - (iv) Attachments necessary for the Hire
 - (v) Operator requirements
 - (vi) Date and time for commencement of Hire
 - (vii) Anticipated duration of Hire,
 - (viii) Contract Rate, and
 - (ix) Council's Order Number for the works.
- (b) The Permit to Work will be governed by and is subject to the terms and conditions contained in this contract.
- (c) The Contractor acknowledges that the hire of Equipment is governed by and is subject to the terms and conditions contained in this contract and that no terms or conditions which it purports to incorporate, on the back of its invoices or documents of supply or otherwise, will be of any force or effect.

4.3 Delivery

The Contractor must, following receipt of an Permit to Work, deliver the Equipment in the required condition and, if applicable, with an Operator to the Site by the time shown on the Permit to Work. Only the item specified in the Permit to Work will be accepted at the commencement of Hire. Items cannot be substituted at the commencement of the Hire.

4.4 During the Hire

- (a) The Contractor must:
 - (i) Have the Equipment ready to commence work each day at the starting time directed by PSC,
 - (ii) Work the Equipment as directed by PSC during the period of hire, and
 - (iii) In respect of an item of Plant, unload and load the Plant at the site as directed by PSC.
- (b) The Supervisor may direct the removal of the Operator and any servant or agent of the Contractor from the Site.
- (c) When requested by PSC, the Contractor will provide at its own cost evidence of the operating capacity of the Equipment, including for a Truck the manufacturer's rated GVM. For water-ballasted rollers, weighbridge ticket(s) from a public weighbridge must be presented to the hiring office prior to commencement of hire.

4.5 Equipment Hire

When Equipment is hired, the Contractor must at its own cost:

- (a) Ensure that all Operators have received OHS and Environmental Training.
- (b) Ensure that Operators meet Operator Competency Requirements.
- (c) Ensure that Equipment meets the Equipment Requirements.
- (d) Subject to clause 4.5.1(a), supply and replenish all fuel, oil and grease.
- (e) Supply all spare parts and anything necessary for the continuous and satisfactory operation of the Equipment. For items of Plant, this includes where relevant, cutting edges, tynes and ground-engaging tools for the continuous and satisfactory operation of the Plant.
- (f) Remove from the site and re-use, recycle and dispose of in an environmentally responsible manner all Waste from the Equipment and service vehicles. Wastes to be re-used or recycled must be segregated from those to be disposed of. The Contractor may, if approved by PSC, re-use, recycle or dispose of Waste by placing at a location on Site in the manner directed by PSC.
- (g) Adjustments and repairs carried out on Site must be undertaken at a location nominated by PSC, away from sensitive environments such as water courses and vegetation.
- (h) Keep work records on the Daily Time Sheets, supplied by PSC.
- (i) Subject to clause 4.5.1(a), keep Equipment safety inspection records on the Daily Inspection Reports, and
- (j) Comply with the requirements of all Acts, regulations, ordinances and by-laws and the safety requirements in force on the Site.

4.5.1 Special Requirements for Plant

- (a) When the Plant is hired without an Operator, PSC is responsible for:
 - (i) Assigning a competent operator to operate the Plant,
 - (ii) Completion of the Daily Inspection Report, and
- (b) The supply and replenishment of fuel, oil and grease only.
- (c) Contractors hiring water tankers to PSC for the Works must:
 - (i) comply with the requirements of the relevant water authority and Water Act 1912, and
 - (ii) Record water used on the Daily Time Sheet.

Any unusual requirements in relation to obtaining water for PSC works will be notified by the Supervisor.

4.5.2 Removal from Database

- (a) If the Contractor fails to:
 - (i) Maintain any item of Equipment to the Equipment Requirements,
 - (ii) Effect and maintain all the registration, licence and insurance requirements for any Equipment,
 - (iii) Meet any statutory requirements,
 - (iv) Make any item of Equipment available for inspection when required to do so by PSC, or
 - (v) Comply with any other condition of this Contract.

PSC may give notice in writing to the Contractor requiring it to show cause as to why the Equipment should not be removed from the Database.