

1.0 GENERAL

1.1 Section Includes

- .1 Cash Allowances
- .2 Contingency Allowances
- .3 Determination of Actual Costs
- .4 Adjustment of Contract Price

1.2 Allowances

- .1 Allowances include for the following:
 - .1 Material Testing and 3rd Party Inspections
 - .2 Furniture and Appliance Supply and Installation
- .2 Unless otherwise specified, amounts for each allowance include:
 - .1 Actual product cost
 - .2 Applicable taxes and tariffs
 - .3 Freight, handling, unloading, and storage
 - .4 Contractor services
 - .5 Labour for installation and finishing
 - .6 Construction machinery and equipment
 - .7 Authorized expenditures
- .3 Value Added Taxes do not form a part of the allowances.
- .4 Contractor's overhead and profit to be included as follows:
 - .1 Overhead and profit for each cash allowance will be included in Contract Price.
 - .2 Overhead and profit for contingency allowance, as noted in Section 00 73 00, under Article 2.16.

- .5 Contractor will provide the Owner with at least three (3) competitive prices for work of each allowance. The Owner shall determine actual costs as specified in Paragraph 8.
- .6 Additional expenditures not identified as part of the allowances will be submitted for review by the Owner and where deemed applicable authorized in writing by the Owner.
- .7 Notification in writing by the Owner is required prior to the Contractor executing work outlined under each allowance.
- .8 The Owner will provide the Contractor with applicable documentation, equipment, and products within the time specified or, where such time is not specified, in sufficient time to permit the construction schedule to be maintained.

1.3 Cash Allowance – Material Testing and 3rd Party Inspections

- .1 Include in Stipulated Sum, a cash allowance of \$ 50,000.00 for material testing and inspection services specified herein or at the request of the Consultant by an Independent Testing Agency selected by the Owner. Reimbursement of the material tester's services shall be via this allowance for passing results only. Testing services for non-compliant materials or installation shall be borne by the Contractor.

1.4 Cash Allowance – Appliance Supply and Installation

- .1 Include in Stipulated Sum, a cash allowance of \$ 80,000.00 for the supply, installation, and commissioning of new appliances per Owner requirements. Reimbursement of the costs shall be via this allowance for approved and successfully commissioned products only. Non-compliant products or installation shall be borne by the Contractor.

1.5 Determination of Actual Costs

- .1 Invoices, bills of sale, and notes payable for actual cost of items and services covered in an allowance amount shall be submitted by the Contractor for verification by the Owner.
- .2 Trade discounts and refunds shall be credited to Owner.
- .3 Where applicable, the valuation for a change shall be in accordance to Section 00 73 00 – Supplementary Conditions.

1.6 Adjustment of Contract Price

- .1 When actual costs are determined for each allowance, the Contract Price will be valued accordingly by a Change Order.

END OF SECTION