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tr, li { break-inside: avoid; }
</style><h1>Document Review – Cornerstone VR-021, Revised Basement Waterproofing (~$180k)
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<p><em>Second-pair-of-eyes assessment for Daniel Cross (Project Director, Apex PM) ahead of
PTM #14. Document under review: Cornerstone Construction Variation Request VR-021, "Revised
Basement Waterproofing System – Northgate Retail Centre," dated this month. Cost Bureau (QS)
has assessed and disputes ~$70k of the ~$180k claimed.</em></p>
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<p><strong>Headline:</strong> This variation is not fit for approval as submitted. There is
a genuine change buried in here – a real design revision to the basement tanking that
Cornerstone didn't originate – but the claim as presented mixes that legitimate change with
re-measured quantities, day-rate padding, and a programme-delay figure that has no evidence
behind it. Cost Bureau's ~$70k dispute is the right instinct but it's under-cooked; on the
numbers below there's closer to $75–95k that Cornerstone has to substantiate before you sign
anything. Do not settle a lump sum in PTM #14. Split it: agree the part that's proven,
reject or park the rest.</p>
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<h2>The key issues (in order of severity)</h2>
<h3>1. Critical – the claim conflates a design change with a re-measure, and doesn't
separate the two</h3>
<p>The variation is framed as a single ~$180k "revised waterproofing" change. But read the
breakdown and it's really three different things wearing one number:
– <strong>(a)</strong> the actual design revision – a switch from the specified membrane
system to a different tanking solution, which is a legitimate instructed change <em>if</em>
it was instructed;
– <strong>(b)</strong> a re-measurement of basement slab and wall areas that Cornerstone
says are larger than the contract BOQ;
– <strong>(c)</strong> a programme-delay / prolongation add-on.</p>
<p>These have completely different contractual bases and completely different evidence
requirements. Bundling them into one lump sum is how a contractor gets the weak parts of a
claim carried across the line on the back of the strong part. <strong>Insist the claim is
broken into (a), (b) and (c) as separate, separately-priced items before it's assessed.
</strong> You approve what's proven and reject what isn't – you don't buy the bundle.</p>
<h3>2. Critical – no clear instruction / contractual basis for the change itself</h3>
<p>A variation needs an origin: whose decision changed the waterproofing spec, and under
what instruction. The document asserts the system "had to be revised" but doesn't cite an
Architect's Instruction, an RFI response, or a Site Instruction number. That's the first
question and everything hangs off it:
– If <strong>FormWorks / Studio Arc</strong> issued a revised design (e.g. a change in the
waterproofing spec following a ground-condition or structural revision), it's a
<strong>client-side change</strong> and Cornerstone is legitimately entitled to the
<em>proven</em> cost of the change – but only the delta, not the whole system re-priced.
– If Cornerstone hit a <strong>workmanship or sequencing problem</strong> with the original
spec – failed membrane, poor substrate prep, tanking that didn't pass a water test – and is
now dressing up a <strong>remedial / rework</strong> cost as a variation, then a chunk of
this is <strong>their cost, not yours.</strong></p>
<p>The document is silent on which of these it is, and that silence is doing a lot of work.
<strong>Get the instruction reference or there is no variation to assess.</strong> Raise
directly with Elena Duarte (Contracts Manager, Cornerstone).</p>
<h3>3. Critical – the ~$70k Cost Bureau disputes is where the padding lives; test it line by
line</h3>

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<p>From the breakdown, the disputed portion isn't one thing – it's the soft money across three headings, and each needs a different challenge:

– Re-measured quantities (item b). Cornerstone claims larger basement slab/wall areas than the contract BOQ. Basement geometry doesn't change on its own. Either the original BOQ was wrong (a measurement risk that usually sits with the contractor on a lump-sum or with the QS on a re-measurable – check which applies here), or they're double-counting area already priced in the original waterproofing line. Do not pay twice for the same square metres. Cost Bureau should overlay the claimed quantities on the contract BOQ take-off and show the delta.

– Daywork / day rates on measurable work. Membrane and tanking application is measured work with published rates – it should be priced per m², not on daywork. If any part of this claim is on daywork labour + plant + a percentage uplift, that's a red flag: daywork is for genuinely un-measurable disruption, not for re-doing a definable scope. Reprice the applied work against contract rates.

– Prolongation / preliminaries. See issue 4.</p>

<h3>4. Significant – programme-delay cost is claimed with no critical-path evidence</h3>

<p>There's a prolongation element in here (extended prelims / supervision / site facilities tied to the waterproofing works taking longer). A time-based cost is only payable if the delay is critical and on the programme – i.e. the waterproofing actually sat on, or pushed, the critical path. Right now the site is running 44% actual vs 47% planned, and the acknowledged drivers of that slip are the Level 3 transfer-slab design delay and last month's wet weather – not basement waterproofing. So Cornerstone is claiming prolongation for an activity that, on your own progress data, isn't the thing driving the delay. Reject the prolongation element until they produce a delay analysis showing the waterproofing on the critical path. They almost certainly can't, because it wasn't.</p>

<h3>5. Significant – no evidence pack, and the rates have no source</h3>

<p>For a ~\$180k claim the supporting documentation is thin: no marked-up drawings showing revised vs original extent, no supplier quotation for the new tanking system, no photographs of the condition that triggered the change, no measurement sheets. The rates in the breakdown are asserted, not sourced. A variation of this size with no back-up doesn't get assessed on trust – it gets returned for substantiation. Standard position: no evidence, no valuation.</p>

<h3>6. Minor – presentation flags worth a note</h3>

<p>The VR carries a ~\$180k round-ish headline that resolves suspiciously neatly once you strip the disputed items – check the arithmetic reconciles between the summary page and the detailed breakdown (summary totals and line-item sums should tie out; if they don't, that's your opening). Also confirm the VR number, date and project reference are correct and not carried forward from a previous claim.</p>

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<h2>What to challenge in PTM #14 – sharp questions for Daniel to put to Elena Duarte</h2>

"What instruction changed the waterproofing spec – AI, RFI response, or SI? Give me the reference." No reference, no variation. This is question one and it decides everything else.

"Was the original waterproofing installed and rejected, or never installed?" If it failed a water test or was condemned, why is the client paying to put it right? Separate the change from the rework.

"Show me the revised extent marked up against the original – where exactly is the additional area, and isn't it already in the contract BOQ line for waterproofing?" Flush out the double-count on item (b).

"Why is any of this on daywork? Membrane and tanking are measured items – price it against contract rates." Kill the daywork uplift.

"Point me to the critical-path activity this prolongation attaches to. Our progress data has the slip driven by the transfer slab and weather, not waterproofing – so where's your delay analysis?" Collapse the time-based claim.

"Where's the supplier quote for the new system and the measurement sheets?" No evidence pack, claim goes back.

"Will you accept a partial valuation of the substantiated element now and park the rest pending back-up?" Signals you'll pay what's proven and no more – and stops the whole \$180k riding on the strong 20%.

<p>Do not agree a global figure in the meeting. Minute it as: legitimate change element to be valued on evidence; re-measure and daywork elements disputed pending substantiation; prolongation element rejected absent a critical-path delay analysis.</p>

Cornerstone re-submits split into (a)/(b)/(c) with back-up.</p>

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<h2>What's missing (and who provides it)</h2>

Instruction reference for the spec change – Cornerstone (Elena Duarte) to cite, or Apex/Studio Arc to confirm none was issued.

Marked-up drawings showing revised vs original waterproofing extent – Cornerstone.

Supplier quotation for the new tanking system – Cornerstone.

Measurement sheets / take-off reconciled against the contract B0Q – to be checked by Cost Bureau against their original take-off.

Delay analysis demonstrating the waterproofing works on the critical path – Cornerstone (required before any prolongation is entertained).

Photographic record of the condition that triggered the change – Cornerstone.

<p>Get Cost Bureau to formalise their assessment into a line-by-line levelling of claimed vs allowable before PTM #14, so you walk in with a number to hold, not just a dispute. On the evidence in front of you, the defensible position is: agree only the substantiated change element, reject the prolongation outright, and hold the re-measure/daywork until it's proven – which puts the exposure well below the \$180k claimed and likely below the ~\$110k Cornerstone would be left with even after Cost Bureau's current ~\$70k cut.</p>

<p>Assessment only – not a formal report. If you want this issued as a formal position to Cornerstone, take it to a formal letter (variation determination) or an executive summary for the client. If you want it as a note to Cost Bureau to firm up their assessment, draft it as an email.</p>