

20 TIPS IN 20 MINUTES:

# HANDLING CONTRACT RISK ON HDD PROJECTS

TRENCHLESS

LEGAL SERVICES





# **1//THE THREE CONTRACTING CATASTROPHES**



# DISPUTED CLAIMS & LAWSUITS





## 2/THE COSTS OF GETTING STUCK

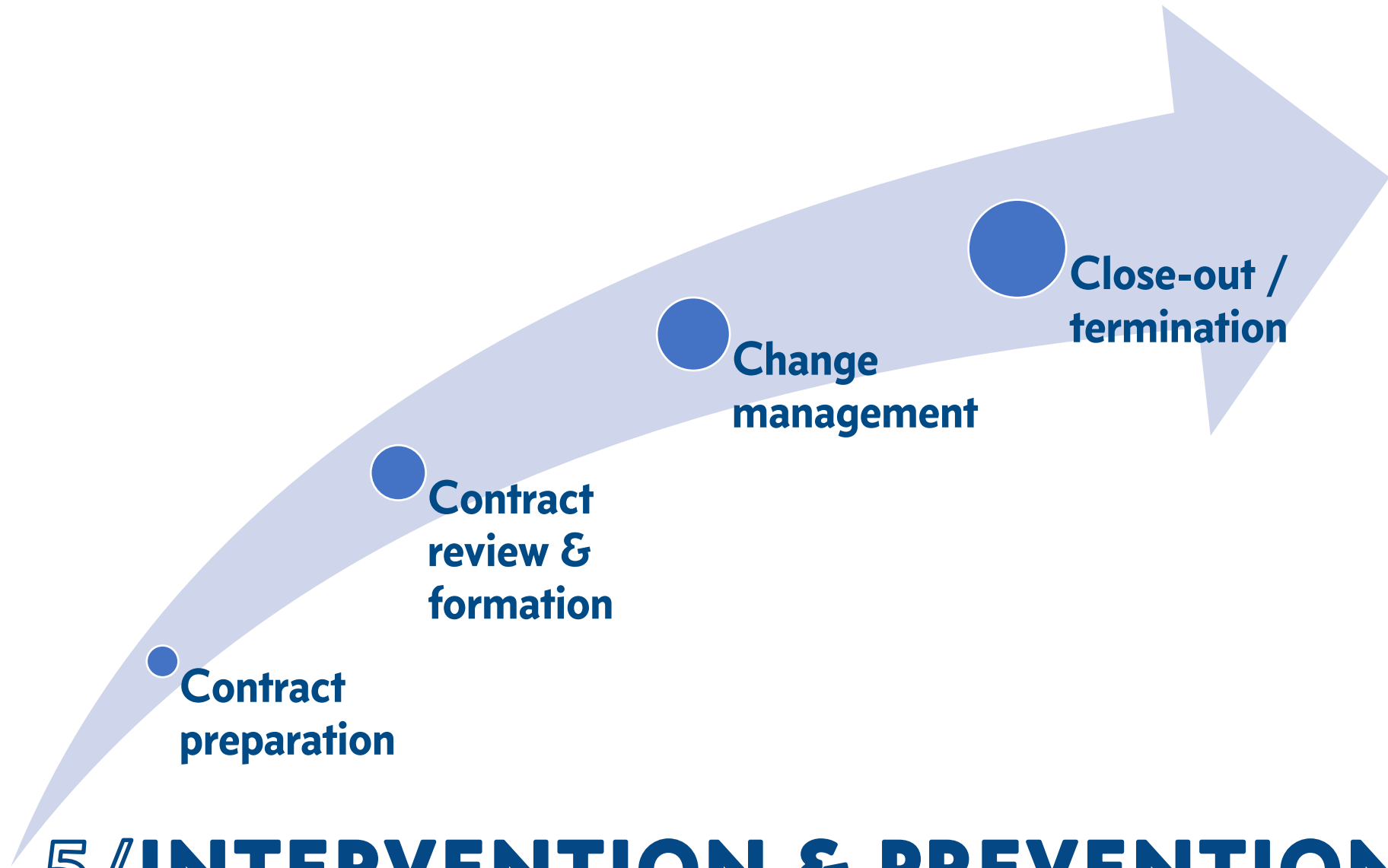




**3//LITIGATION: ANOTHER LIFESTYLE DISEASE**



## 4/THE RISK FACTORS



## **5/INTERVENTION & PREVENTION**



# LOST & COMPROMISED CLAIMS





**6//LIENS & BONDS: CLEAR THE HURDLES**



## **7//FIRST RULE OF CHANGE MANAGEMENT: READ THE CONTRACT**





**8//IF YOU COULD FOLLOW THE CONTRACT,  
THAT'D BE GREAT...**





9//...**BUT DON'T LOSE HOPE IF YOU DIDN'T**



## 10/**DOCUMENTS & DOCUMENTATION**



**11//KNOW YOUR ENDGAME**





**12/DON'T FORGET ABOUT  
INSURANCE AND BONDS!**



# UNCONSCIOUS RISK ASSUMPTION





13/**SEEING WHAT'S HIDDEN**



14/

**... /N WRITING  
/N THE CONTRACT**

**DESCRIPTION OF WORK:**

Contractor has entered into, or expects to enter into, a contract with Contractor's Customer to perform work related to \_\_\_\_\_ (the "Project") and Contractor desires to retain Subcontractor to perform labor and/or furnish materials in connection with the Project, as more fully set forth in the Contract Documents (as defined in the attached General Conditions), as may be more fully identified in Exhibit A, and as described as follows:

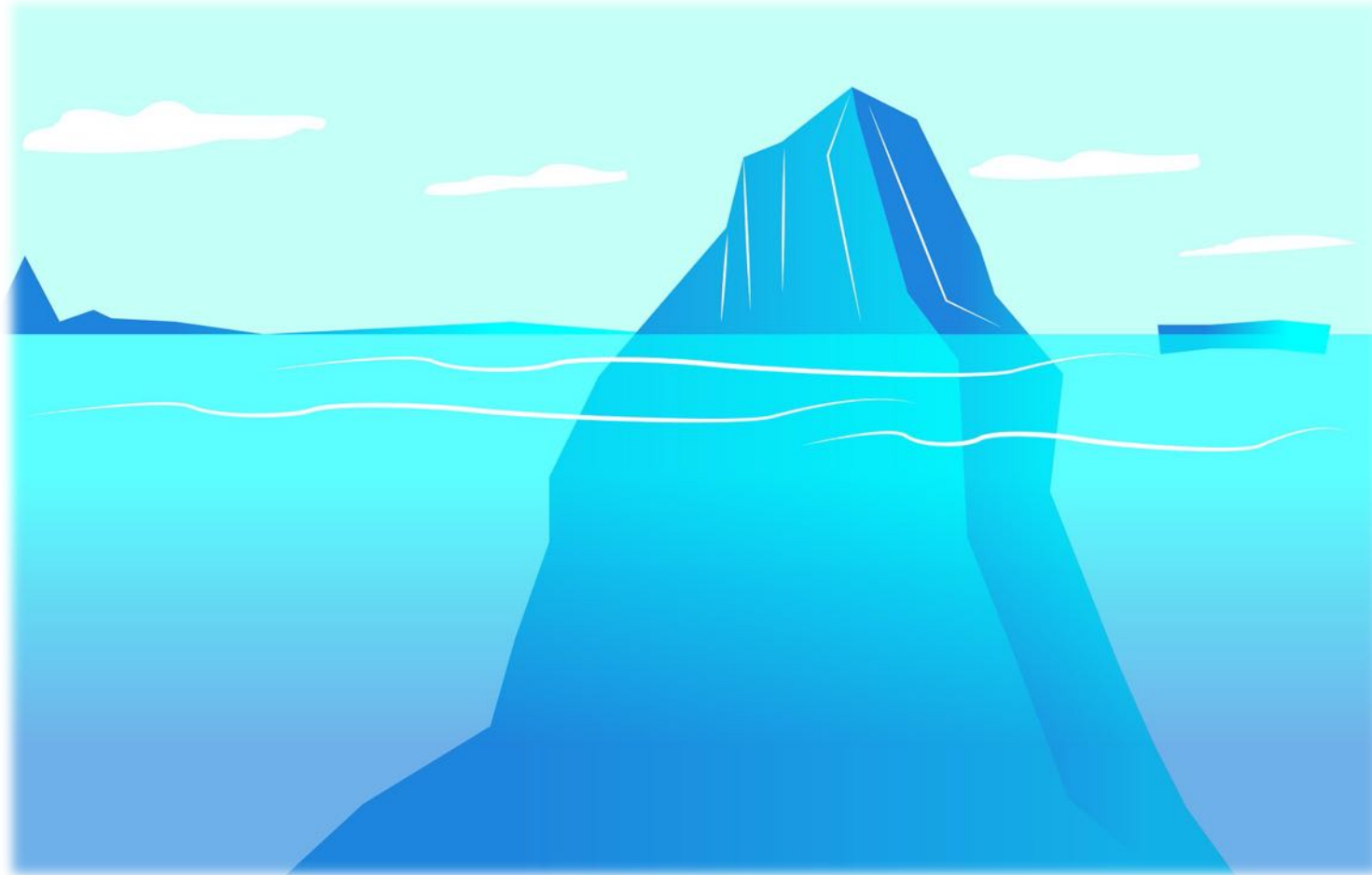
Exhibit "A" is fully incorporated into this Subcontract Agreement only to the extent of the description of the work to be performed. In the event of a conflict between the terms and conditions of the Agreement and the Exhibit "A", the Agreement shall always control and govern.

**REAL CONTRACT ATTEMPTING  
TO NULLIFY EVERYTHING IN  
SUBCONTRACTOR'S  
PROPOSAL EXCEPT PRICE**



(the "Work").

**The attached Exhibit A is only applicable to this Agreement to the extent that it sets forth Subcontractor's scope of Work and pricing for the Project. Any other terms and conditions contained within the attached Exhibit A are null and void unless specifically included within the body of this Agreement or the General Conditions. In the event of any conflict between the provisions of Exhibit A and the provisions of this Agreement or the General Conditions, the provisions of this Agreement or the General Conditions shall prevail.**



**15/IMPLIED OBLIGATIONS & INVISIBLE TERMS**



**16/CONTRACTING MYTHS & FAIRY TALES**



17/  
**KNOW &  
INCLUDE YOUR  
DEAL POINTS ...**

| Proposal   |                      |                                   |                     |
|--|----------------------|-----------------------------------|---------------------|
| Proposal Submitted by<br><div></div>   |                      | Contact<br><div></div>            |                     |
|  |                      | Mobile<br><div></div>             |                     |
|  |                      | Email<br><div></div>              |                     |
| Proposal Submitted to<br><div></div>   |                      | Phone<br><div></div>              | Date<br><div></div> |
| Job Name<br><div></div>  |                      | HDD Sewer Line Bores              |                     |
| Job Location<br><div></div>  |                      | Job Phone<br><div></div>          |                     |
| Proposal Number:<br><div></div>  |                      |                                   |                     |
| We hereby submit specifications and estimates for:   |                      |                                   |                     |
| QTY  | DESCRIPTION          | RATE                              | TOTAL               |
|  | HDD Sewer Line Bores |                                   |                     |
| 4,000  | LF - 12" HDD HDPE    | \$ 75.00                          | \$ 300,000.00       |
| 2,000  | LF - 10" HDD HDPE    | \$ 75.00                          | \$ 150,000.00       |
|  |                      |                                   |                     |
|  |                      |                                   |                     |
|  |                      |                                   |                     |
|  |                      |                                   |                     |
|  |                      |                                   |                     |
|  |                      |                                   |                     |
|  |                      |                                   |                     |
|  |                      |                                   |                     |
|  |                      |                                   |                     |
| Includes: All Equipment, Labor and Materials to fuse and bore 10" HDPE   |                      |                                   |                     |
| Excludes: Pipe, Fusing, Permits, Survey, Design, Pipe Hauling & Handling, Rock HDD, Support Equipment  |                      |                                   |                     |
| We propose hereby to furnish material and labor - complete in accordance with the above specifications, for the sum of:  |                      |                                   |                     |
| Four Hundred Fifty Thousand and 00/100   |                      | Dollars                           | \$ 450,000.00       |
| Payment to be made as follows:   |                      |                                   |                     |
| Net 10 Days  |                      |                                   |                     |
| All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Certified payrolls or Davis-Bacon wage rates are not included in price. Owner to carry fire, tornado, and other necessary insurance. Our workers are fully covered by Workman's Compensation insurance. |                      |                                   |                     |
| Note: This proposal may be withdrawn by us if not accepted within 30 days.   |                      | Authorized Signature: <div></div> |                     |
| Acceptance of Proposal - The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.   |                      |                                   |                     |
| Name   |                      |                                   |                     |
| Date of Acceptance:  |                      | Signature                         |                     |



**18/SPOTTING RED FLAGS BEFORE YOU SIGN**



19/ **“FORM” AND “STANDARD” DO NOT MEAN “GOOD”**





20/**PREVENTION IS CHEAPER THAN THE CURE**



## **5/INTERVENTION & PREVENTION**

# QUESTIONS?

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