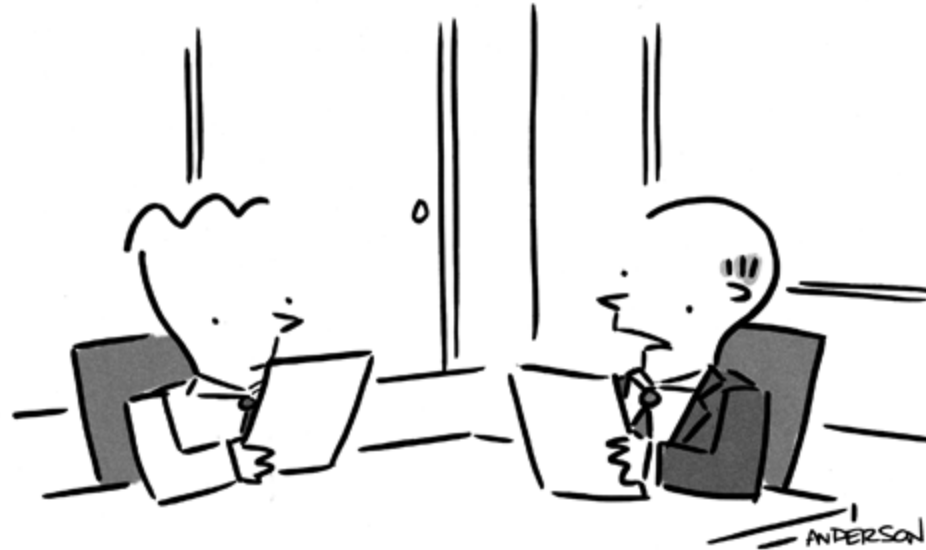


Project Management and AIA Documents

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"I understand what it means, I'm just saying
'LOL' isn't really appropriate in a contract."

Bid Documents/Procurement

- General Concept – Nobody receives an unfair advantage
- What that means:
 - All bidders get the same information
 - Requests for substitutions are received well in advance (10 days) to allow evaluation by the Architect. If accepted all bidders will be notified by addendum. No substitutions after the bid.
 - Answers to questions, clarifications, or changes will be by addendum. (i.e. if the owner or architect tell you something, but don't include it in an addendum, it never happened.)

Bid Documents/Procurement

- Other Bidding/Procurement Items:
 - Bid Bond – provides protection to the owner that the contractor will honor its bid.
 - Qualified (Responsible) Bidder – a bidder who has the qualifications to perform the work.
 - Responsive Bidder – a bidder who met the requirements for bidding outlined in the Instructions to Bidders.
 - Owner's Financial Capacity – The Contractor has the right to obtain proof from the Owner that it has the capacity to pay for the work.

AIA A701

Instructions to Bidders



Project Management

– Contracts

- Submittals
- Close-out
- Claims
- Responsibilities

– Labor Relations

- When is OT required?
- Union labor/Strikes.

– Man-power

- Units of measure (man hours, crew hours)
- Don't forget...Do it their way!



Contracts



- AIA contracts
 - AIA A101 – Standard Form of Agreement Between Owner and Contractor where the basis of payment is a Stipulated Sum
 - AIA A102 – Standard Form of Agreement Between Owner and Contractor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price
 - AIA A201 – General Conditions of the Contract for Construction

A101

Time



ARTICLE 3 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

§ 3.1 The date of commencement of the Work shall be the date of this Agreement unless a different date is stated below or provision is made for the date to be fixed in a notice to proceed issued by the Owner.
(Insert the date of commencement if it differs from the date of this Agreement or, if applicable, state that the date will be fixed in a notice to proceed.)

Price



ARTICLE 4 CONTRACT SUM

§ 4.1 The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor's performance of the Contract. The Contract Sum shall be (\$ _____), subject to additions and deductions as provided in the Contract Documents.

A101

Work



ARTICLE 9 ENUMERATION OF CONTRACT DOCUMENTS

§ 9.1 The Contract Documents, except for Modifications issued after execution of this Agreement, are enumerated in the sections below.

§ 9.1.1 The Agreement is this executed AIA Document A101–2007, Standard Form of Agreement Between Owner and Contractor.

§ 9.1.2 The General Conditions are AIA Document A201–2007, General Conditions of the Contract for Construction.

§ 9.1.3 The Supplementary and other Conditions of the Contract:

§ 9.1.4 The Specifications:

(Either list the Specifications here or refer to an exhibit attached to this Agreement.)

Section	Title	Date	Pages
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§ 9.1.5 The Drawings:

(Either list the Drawings here or refer to an exhibit attached to this Agreement.)

Number	Title	Date
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§ 9.1.6 The Addenda, if any:

Number	Date	Pages
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A102

Time

ARTICLE 4 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

§ 4.1 The date of commencement of the Work shall be the date of this Agreement unless a different date is stated below or provision is made for the date to be fixed in a notice to proceed issued by the Owner.

(Insert the date of commencement, if it differs from the date of this Agreement or, if applicable, state that the date will be fixed in a notice to proceed.)

Price

ARTICLE 5 CONTRACT SUM

§ 5.1 The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor's performance of the Contract. The Contract Sum is the Cost of the Work as defined in Article 7 plus the Contractor's Fee.

§ 5.1.1 The Contractor's Fee:

(State a lump sum, percentage of Cost of the Work or other provision for determining the Contractor's Fee.)

Article 7



ARTICLE 7 COSTS TO BE REIMBURSED

§ 7.1 Cost of the Work

§ 7.1.1 The items of cost of the Work shall include costs reasonably incurred by the Contractor in the proper performance of the Work. Such costs shall be at a rate not higher than the actual cost in the place of the Project except with prior approval of the Owner. The Cost of the Work shall include:

§ 7.1.2 Where any cost is subject to the Owner's prior approval, the Contractor shall obtain this approval prior to incurring the cost. The parties shall endeavor to submit any such costs prior to incurring this Agreement.

§ 7.1.3 Labor Costs

§ 7.1.3.1 Wages of construction workers directly employed by the Contractor to perform the construction of the Work at the site with the Owner's prior approval, at off-site workshops.

§ 7.1.3.2 Wages or salaries of the Contractor's supervisory and administrative personnel when stationed at the site with the Owner's approval.

§ 7.1.3.3 If it is intended that the wages or salaries of certain personnel stationed at the Contractor's principal or other offices shall be included in the Cost of the Work, identify in Article 10 the personnel to be included, whether full or part-time or part of their time, and the portion of their time which their time will be charged to the Work.

§ 7.1.3.4 Wages and salaries of the Contractor's supervisory or administrative personnel engaged at factories, workshops or on the road, in equipping the production or transportation of materials or equipment required for the Work, but only for that portion of their time required for the Work.

§ 7.1.3.5 Costs paid or incurred by the Contractor for taxes, insurance, contributions, assessments and benefits required by law or collective bargaining agreements and, for personnel not covered by such agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, provided such costs are based on wages and salaries included in the Cost of the Work under Sections 7.1.3.1 through 7.1.3.4.

§ 7.1.3.6 Bonuses, profit sharing, incentive compensation and any other discretionary payments paid to anyone hired by the Contractor or paid to any Subcontractor or vendor, with the Owner's prior approval.

§ 7.1.3.7 Subcontract Costs

Payments made by the Contractor to Subcontractors in accordance with the requirements of the subcontractors.

§ 7.1.4 Costs of Materials and Equipment Incorporated in the Completed Construction

§ 7.1.4.1 Costs, including transportation and storage, of materials and equipment incorporated or to be incorporated in the completed construction.

§ 7.1.4.2 Costs of materials described in the preceding Section 7.1.4.1 in excess of their actual cost intended to allow for reasonable waste and spoilage. Unusual exceptions of materials shall become the Owner's responsibility at the completion of the Work or, at the Owner's option, shall be added by the Contractor. Any amounts required from such items shall be included in the Cost of the Work as an addition to the Contractor's Fee.

§ 7.1.5 Costs of Other Materials and Equipment, Temporary Facilities and Related Items

§ 7.1.5.1 Costs of transportation, storage, installation, maintenance, dismantling and removal of materials, supplies, temporary facilities, machinery, equipment and tools used in the performance of the Work. Costs of materials, supplies, temporary facilities, machinery, equipment and tools that are not fully consumed by the Contractor at the time of the Project are items that are first used on the Project site less the value of the items when it is no longer used in the Project. The Contractor shall pay for the items that are not fully consumed by the Contractor shall pay for the items.

§ 7.1.5.2 Rental charges for temporary facilities, machinery, equipment and tools not customarily owned by construction workers that are provided by the Contractor at the site with the Owner's prior approval, including, but not limited to, storage, dismantling and removal. The total rental charges for construction materials may not exceed the purchase price of any comparable item. Rates of construction equipment and material equipment shall be subject to the Owner's prior approval.

§ 7.1.5.3 Costs of removal of debris from the site of the Work and elsewhere and legal disposal.

§ 7.1.5.4 Costs of document reproduction, facsimile reproduction and long-distance telephone calls, postage and parcel delivery charges, telephone service or other telecommunication services, and reasonable utility costs for the site office.

§ 7.1.5.5 Costs of materials and equipment reasonably stored off the site at a mutually acceptable location, subject to the Owner's prior approval.

§ 7.1.6 Miscellaneous Costs

§ 7.1.6.1 Premiums for the full portion of insurance and bonds required by the Contract Documents that can be directly attributed to the Contractor's Contract. Self-insurance for either full or partial amounts of the coverages required by the Contract Documents with the Owner's prior approval.

§ 7.1.6.2 Fees, use or similar items applied by a governmental authority that are related to the Work and for which the Contractor is liable.

§ 7.1.6.3 Fees and assessments for the holding period and for other permits, licenses and inspections for which the Contractor is responsible by the Contract Documents to pay.

§ 7.1.6.4 Fees of laborers for tests required by the Contract Documents, except those related to defective or nonconforming Work for which reimbursement is excluded by Section 12.3.2 of AIA Document A201-2007 or by other provisions of the Contract Documents, and which do not fall within the scope of Section 7.1.3.

§ 7.1.6.5 Revisions and license fees paid for the use of a particular design, process or product required by the Contract Documents, the cost of drafting and/or claims for adjustment of payment rights arising from such requirements of the Contract Documents, and payments made in accordance with legal judgments against the Contractor resulting from such suits or claims and payments of settlements made with the Owner's consent. However, such costs of legal judgments, judgments and settlements shall not be included in the calculation of the Contractor's Fee or subject to the Guaranteed Maximum Price. If such results, fees and costs are excluded by the last sentence of Section 12.3 of AIA Document A201-2007 or other provisions of the Contract Documents, they shall not be included in the Cost of the Work.

§ 7.1.6.6 Costs for electronic equipment and software, directly related to the Work with the Owner's prior approval.

§ 7.1.6.7 Deposits lost for causes other than the Contractor's negligence or failure to fulfill a specific responsibility in the Contract Documents.

§ 7.1.6.8 Legal, mediation and arbitration costs, including attorneys' fees, other than those arising from litigation between the Owner and Contractor, reasonably incurred by the Contractor after the execution of this Agreement in the performance of the Work and with the Owner's prior approval, which shall not be contractually withheld.

§ 7.1.6.9 Subject to the Owner's prior approval, expenses incurred in accordance with the Contractor's standard workers' compensation policy for relocation and temporary living allowances of the Contractor's personnel required for the Work.

§ 7.1.6.10 The portion of the reasonable expenses of the Contractor's supervisory or administrative personnel incurred while traveling in discharge of their contract with the Work.

§ 7.1.7 Other Costs and Emergencies

§ 7.1.7.1 Other costs incurred in the performance of the Work if, and to the extent, approved in advance in writing by the Owner.

§ 7.1.7.2 Costs incurred in taking action to prevent threatened damage, injury or loss in case of fire or emergency affecting the safety of persons and property, as provided in Section 18.4 of AIA Document A201-2007.

§ 7.1.7.3 Costs of repairing or correcting damaged or nonconforming Work executed by the Contractor, Subcontractor or supplier, provided that such damaged or nonconforming Work was the direct or indirect negligence or failure to fulfill a specific responsibility of the Contractor and only to the extent that the original error or negligence is not corrected by the Contractor from insurance, Subcontractors, suppliers, or others.

§ 7.1.8 Related Party Transactions

§ 7.1.8.1 For purposes of Section 7.1.8, the term "related party" shall mean a parent, subsidiary, affiliate or other entity having common ownership or management with the Contractor, including in which any stockholder or management employee of the Contractor owns any interest (whether of ten percent or less aggregate), or any person or entity which has the right to control the business affairs of the Contractor. The term "related party" includes any member of the immediate family of any person identified above.

§ 7.1.8.2 If any of the costs to be reimbursed are from a transaction between the Contractor and a related party, the Contractor shall notify the Owner of the specific nature of the contemplated transaction, including the identity of the related party and the anticipated cost to be incurred, before any such transaction is consummated or cost incurred. If the Owner, after such notification, authorizes the proposed transaction, the cost incurred shall be included in the Cost of the Work, and the Contractor shall prepare the Work, equipment, goods or services from the related party, as a Subcontractor, according to the terms of Article 7. If the Owner fails to authorize the transaction, the Contractor shall procure the Work, equipment, goods or service from some person or entity other than the related party according to the terms of Article 10.

ARTICLE 8 COSTS NOT TO BE REIMBURSED

§ 8.1 The Cost of the Work shall not include the items listed below:

- 1 Salaries and other compensation of the Contractor's personnel stationed at the Contractor's principal office or offices other than the site office, except as specifically provided in Section 7.1.3 or as may be provided in Article 7.
- 2 Compensation of the Contractor's principal office staff other than the site office.
- 3 Unreimbursed general expenses, except as may be expressly withheld in Article 7.
- 4 Unreimbursed capital expenses, including interest on the Contractor's capital equipment for the Work.
- 5 Except as provided in Section 7.1.3 of this Agreement, costs due to the negligence or failure of the Contractor, Subcontractors and/or suppliers or anyone directly or indirectly employed by any of them for claims with any of them that are liable to settle a specific responsibility of the Contractor.
- 6 Any cost not specifically and expressly described in Article 7, and
- 7 Costs, other than costs included in Change Order approval by the Owner, that would cause the Guaranteed Maximum Price to be exceeded.

A102 Continued

Work

ARTICLE 16 ENUMERATION OF CONTRACT DOCUMENTS

§ 16.1 The Contract Documents, except for Modifications issued after execution of this Agreement, are enumerated in the sections below.

§ 16.1.1 The Agreement is this executed AIA Document A102–2007, Standard Form of Agreement Between Owner and Contractor.

§ 16.1.2 The General Conditions are AIA Document A201–2007, General Conditions of the Contract for Construction.

§ 16.1.3 The Supplementary and other Conditions of the Contract:

Document	Title	Date	Pages
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§ 16.1.4 The Specifications:

(Either list the Specifications here or refer to an exhibit attached to this Agreement.)

Section	Title	Date	Pages
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§ 16.1.5 The Drawings:

(Either list the Drawings here or refer to an exhibit attached to this Agreement.)

Number	Title	Date
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§ 16.1.6 The Addenda, if any:

Number	Date	Pages
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AIA A201

- General Conditions for various forms of AIA contracts documents
 - Stipulated Sum (A101)
 - Cost Plus fee with Guaranteed Maximum Price (A102) *Note: This was previously A111*



AIA A201

Describes:

- Responsibilities of Owner, Architect, and Contractor
- How to change Work, Time, and/or Price
- What to do if one or more parties don't fulfill their responsibilities
- Risk management requirements such as insurance, indemnification, etc.

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COMPUTER... NOBODY SAID ANYTHING ABOUT
IT BEING A LAPTOP



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NORMAN SOON REALISED HE SHOULD HAVE READ
HIS TERMS AND CONDITIONS MORE CLOSELY!...