



Delivering Capital Projects: A Young Professional's Guide to Construction Contracting

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Presented by:

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Objectives

- Introduction
- What is Construction Contracting?
- What are Contract Documents?
- What are Division 00 and 01 specifications?
- Industry Standards
- How YPs Can Learn About Construction Contract Documents
- Owner Coordination
- Takeaways

Introduction

- As the design engineer, your job is to prepare documents that will tell a contractor what they need to know to build the project that satisfies the Owner's objectives. Ideally, the documents you prepare will **tell the contractor exactly what they need to know to build the project, not more and not less.**
- The foundation of every construction project is the method in which it will be delivered; **no amount of technical detail in the plans and specs will overcome a poorly written contract.**



What is “Construction Contracting”?

- The process by which the Contractor and the Owner enter into an agreement that sets the scope and terms of work for a construction project.



What are “Construction Contract Documents”?

Written documents that define the roles, responsibilities, and “Work” under the construction contract

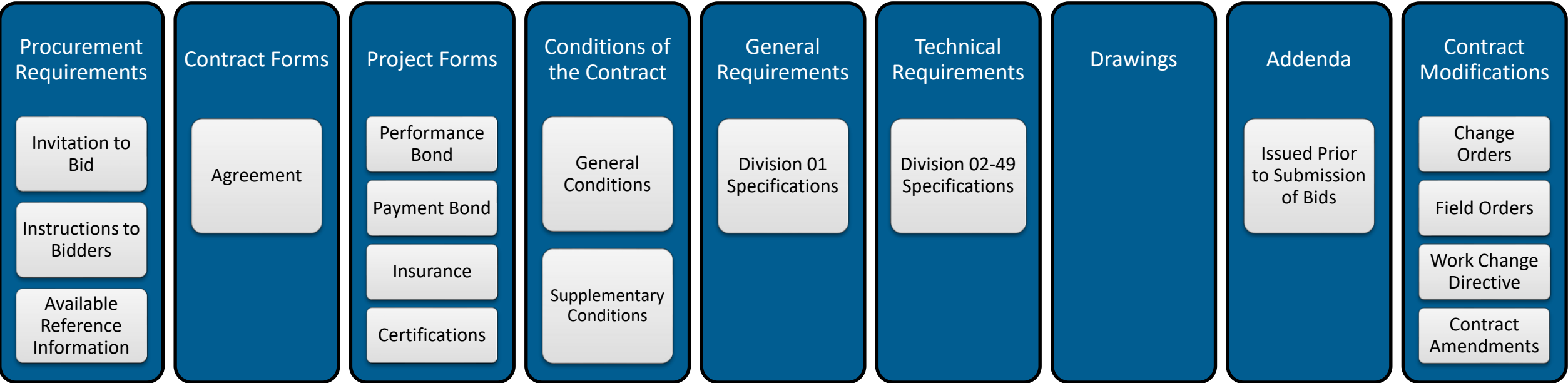
Legally binding between the Owner and the Contractor

Administrative, organizational, performance, and payment requirements

Important for protecting against claims and minimizing risk

Procurement Documents

Project Manual



Contract Documents

Construction Documents

Front-End Documents / Division 00 and 01 Specifications

Procurement Requirements

Invitation to Bid

Instructions to Bidders

Available Reference Information

Contract Forms

Agreement

Project Forms

Performance Bond

Payment Bond

Insurance

Certifications

Conditions of the Contract

General Conditions

Supplementary Conditions

General Requirements

Division 01 Specifications

Technical Requirements

Division 02-49 Specifications

Drawings

Addenda

Issued Prior to Submission of Bids

Contract Modifications

Change Orders

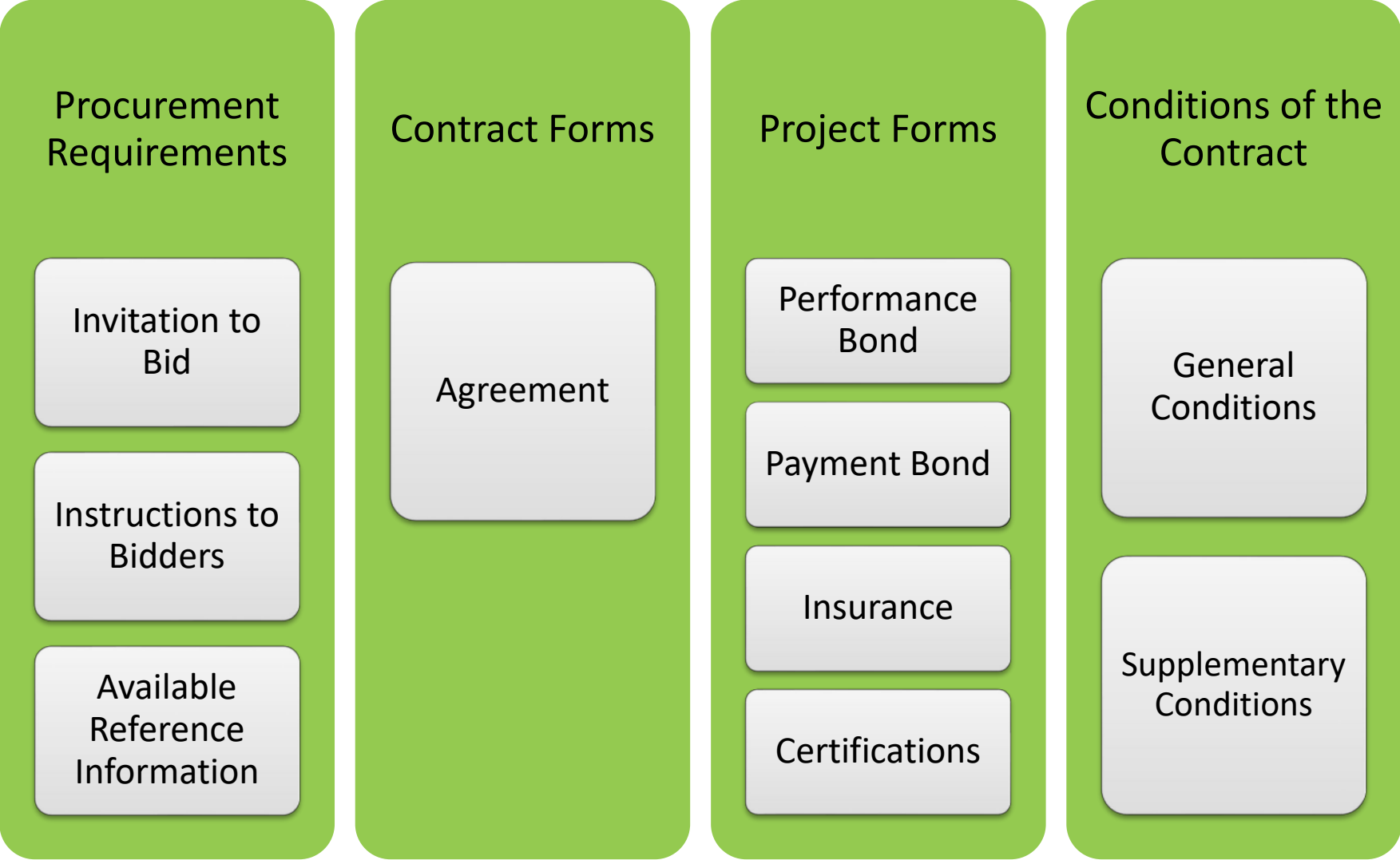
Field Orders

Work Change Directive

Contract Amendments

Division 00 Specifications

Procurement and Contracting Requirements



Division 01 Specifications

General Requirements

Section 01 10 00	Summary
Section 01 20 00	Price and Payment Procedures
Section 01 30 00	Administrative Requirements
Section 01 40 00	Quality Requirements
Section 01 50 00	Temporary Facilities and Controls
Section 01 60 00	Product Requirements
Section 01 70 00	Execution and Closeout Requirements
Section 01 80 00	Performance Requirements
Section 01 90 00	Life Cycle Activities

Industry Standards

- American Institute of Architects (AIA)
- Engineer's Joint Contract Documents Committee (EJCDC)
- Design-Build Institute of America (DBIA)
- Construction Management Association of America (CMAA)
- Construction Specifications Institute (CSI)



Why Use Industry Standards?

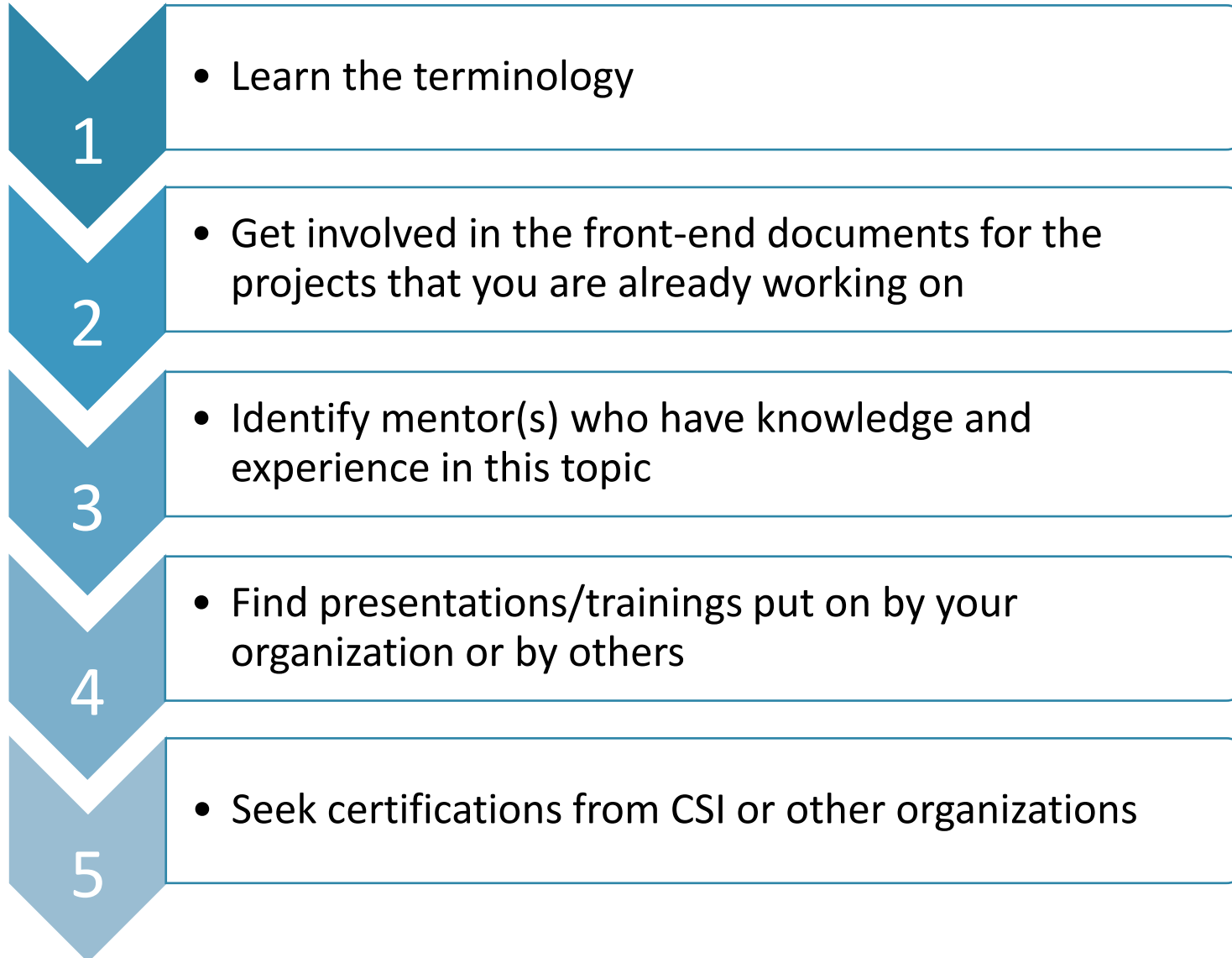
Created and peer-reviewed by experienced industry experts to reflect industry practices

Due to the many stakeholders involved in preparing the documents, they are balanced and fair to all parties

Contractors are likely to be familiar with the documents

Documents are updated over time to reflect best practices and changes in the industry

How YPs Can Learn About Construction Contract Documents



Owner Collaboration

- Understand their needs/concerns/past issues
- Understand client-specific purchasing and procurement requirements
 - City, County, or State ordinances and rules
 - Federal or State requirements for grants
- Make sure that everyone understands the roles that each party is taking on and the responsibilities associated with those roles
- Remember that owner's policies are not likely to be easily changed. Getting new contract documents approved could take a long time.

Takeaways

1

- Remember to focus on striking the right balance of information

2

- Understand the importance of the front-end documents

3

- Get familiar with the industry standards

4

- Get involved in front-end documents on projects you are already working on

5

- Ask questions to the Owner

Questions?



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