

# GOVERNMENT POLYTECHNIC FOR GIRL'S AHMEDABAD



## ◉ CIVIL ENGINEERING DEPARTMENT “CONSTRUCTION PROJECT MANAGEMENT”

( 3360603 )

### ◉ Contract Documents

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## ❖ What is contract:

- Contract is an undertaking by a person or firm to do any work under certain terms and condition.
- The work may be for the construction and maintenance and repair for supply of material, for the supply of labour for the transport of material etc.
- A contract can be enforced by law.

## ❖ Essential requirement of a valid contract:

The essential requirement of valid contract are :

- The contract shall be made by parties competent to contract.
- The contract shall be made by free consent to contract.

- There shall be a definite proposal and its acceptance.
- The subject matter of the agreement must be legal and definite.
- There must be a lawful consideration.



## ❖ Departmental execution:

- In this method, there are two types for the execution of work.
- In this method, a record of the labour employed on each day by the department is maintained. This is achieved by maintaining the details in a muster roll. The presence of each labour is marked in the muster roll by a muster clerk at the starting hour of the day.

- The periodic inspection by the higher authority is done. On the strength of presence mentioned in the muster roll, the payment is made to the laboures. This methods is suitable for small works or repair works, e.g. repairing work for canals, constructing new manhole, painting to the government building, etc.



## ❖ Advantages of departmental execution:

- For small jobs, the contractors demand higher rates. Therefore, small jobs are executed by departmental method to reduce the cost
- This method is useful for work which cannot be measured accurately, e.g.
  - Patch work of plaster
  - pot holes repair for roads
  - Dewatering
  - Grouting, etc.

- In this method, material are purchased by the department, hence good quality materials are used.
- Higher quality of workmanship can be achieved.
- Alteration can be made easily during the execution of work.





## ❖ Disadvantages:

- In this method, advantage of experience of experts cannot be availed.
- Various activities like material purchase, accounting, labour arrangement, wage payment are handled by the department which poses extra workload on the department.
- The project cost varies with the variation in material cost in the market.
- Hence, it is difficult to control the cost the project.

## ❖ Contact system:

- This method of execution of work is useful for large projects like construction of high rise building, bridge or canal.
- In this method, the job is award to the lowest bidder after proper tendering process. The work is allotted to the contractor with all the necessary material, specification, completion period and all other necessary binding condition. A legal contract is made with between PWD and contractor.

## ❖ Advantages of contract system :

- In this method, the work is allotted to the contractor with certain terms and conditions.
- Hence, burden on the department is reduced.
- Less staff is required by the department.
- Advantage of experience of experts can be availed. E.g. for dam, bridge, tunnel, etc.

- In this method the rates of items / materials are finalized at the time of awarding the contract to the contractor. Hence, variation of rates in the market does not affect the total project cost.
- Work can be completed within time limit.
- For large jobs, the contractors quote lower rates.
- Hence, the project cost can be reduced.



## ❖ Disadvantages :

- It is very difficult to make alterations at the time of execution.
- The greed of higher profit of the contractor may result in poor construction quality.
- There are chance of disputes between the con

## ❖ Essential contract Documents for every construction project:

- Constructing a solid contract represents one of the first steps towards the success of your project no matter what you're building. This list explains the documents that are typically a part of every construction contract. There are also numerous other exhibits or forms that you can use in combination with these documents.

## ❖ Contract Agreements and Contracts:



- This agreement is used by the contracting officer or owner and the contractor. It's an essential component of the contract documents. It's the main document to which most other documents attach or reference.

## ❖ Statement of Work (SOW):



- Having a solid scope of the work involved is helpful during the bidding process and later on during the construction sequence. A well-defined of work needed to complete the project



## ❖ General Conditions:



- This contract document defines obligations regarding the execution of the project as well as each party's rights. Overhead costs, what to claim, and your entitlements must be included in this portion of the contract.

## ❖ Special conditions:



- This is usually an extension of the contract and an addendum to the general conditions. It should specify certain conditions and clauses that pertain to each particular project or job. Pay special attention to specific instructions and requirements on how to perform the work.

## ❖ Bill of Quantities:

- This document is formed by the list of diverse trades and materials that will forms will forms part of the construction. Sometimes this documents is not required by the contracting officer

## ❖ Drawings:

- All contracts should include a set of drawings that form part of the job to be performed. These drawings are usually the latest and most recent available and must be received by the contractor prior to the date of commencement. They must include all drawings from consultants, and they'll constitute the entire project that's being contracted.

## ❖ Creating Construction Schedule:

- The construction schedule is an important component of the document. The contracting office will know how and when the project will be completed by reviewing this part. Construction contracts sometimes require updated schedules throughout the construction progress, and they might form part of the monthly or agreed term for application for payments.

## ❖ Costs in the Construction Industry:



- This is a breakdown of all items being incorporated in the construction project. It's usually the base of the application for payment. It can be detailed per items or in a lump sum form that doesn't specify individual items.

❖ The importance of contract document for successful construction claims:

- It is extremely important for the contract administration system on a project to manage the document forming the contract efficiently. In a claim situation, these documents will assist in producing an effective claim submission and may be vital to its success.



- The contract document should be compiled and signed as soon as possible after the agreement has been reached.
- The contract document should reflect any change that been introduced to tender document as a result of tender clarification and negotiation between the parties.
- The propensity to include volumes of other document as appendices should be discouraged.





- A controlled set of contract document should be maintained on site.
- The controlled set of document should be annotated with cross reference to other parts if the document where necessary.
- A copy of the contract condition which consolidates the general condition and the particular condition should be produced for day to day use.
- It is good practices to build up a library of frequently used clause, including any amendment made by the particular condition in a word document for future reproduction in correspondence and claims.

## ❖ List of all current contract document:

- Contact document are divided into six alphanumeric series by document use or purpose.
- A –series: owner/ contractor agreement.
- B- series: owner/ architect agreement.
- C- series: other agreement.
- D- series: miscellaneous document.
- E- series: exhibits.
- G- series: contract administration and project management forms.

THANK YOU

