

CONSTRUCTION CONTRACT TIME

Definition: In order to determine proper construction contract time, several factors must be considered. First, how long will it take to build the project? Second, the time of year and length of duration of the project must be considered. Third, the availability of material or equipment should be assessed. Fourth, how do the above considerations fit into the owner's time schedule? Finally, thought should be given to the complexity of the project and relationships between the owner, engineer and contractor. The proper construction contract time takes all of the above, and more, into account and arrives at a happy medium.

Consider In The Decision: The following factors should be considered in determining the proper construction contract time:

- Appropriate work force - how long with what size of crew(s).
- Is an accelerated schedule(s) appropriate? What about time restraints?
- Incentive and disincentive clauses.
- Time of year (daylight hours), weather considerations (winter work and rain days) and length of duration of project considerations.
- Delivery of all required materials or equipment and their impact on the project. Availability should also be considered and tracked from manufacture stage for large projects.
- Owner's completion schedule. This needs to be appropriately detailed with all phases of work in the correct order and estimated production rates need to be accurate.
- Owner's individual project requirements.
- Site conditions.
- Traffic Control - complexities that limit work in certain areas.
- Existing Utilities - Have all been identified and properly relocated?
- Liquidated damages considerations.
- Complexity of the project.
- Right of Way acquisition and work space.
- Quality of the construction contract documents - including change procedures and drawing review.
- Effectiveness of project communication between the parties.
- Quality of the personnel assigned to the project by the parties.
- Impact of environmental factors such as wetlands, cultural sites, NPDES Requirements, KDHE Permits, etc.
- Quality of subcontractors.
- Ability of the parties to manage multiple construction contracts smoothly with effective on-site cooperation.
- Conflict resolution procedures.

Recommendations:

- Each and every project needs to be evaluated by all three parties (owner, engineer and contractor) and cooperation is required.
- All parties need to understand the ramifications of the decisions in regard to construction contract time.
- Adjust the construction contract time either prior to bid or by addendum when it is in the best interest of all parties.
- Each project should have established lines of communication between the Owner, Engineer and Contractor for a cohesive working relationship.
- Effective contract documents need to be in force which cover such issues as changes, conflict resolution and coordination.