



# N628: Contract Management for Design & Construction Projects

Tutor(s): Morley Selver

2 Days

Competence Level:  
Awareness



Classroom Course

## Summary

In private industry and in the public realm, whether via Design-Bid-Build (DBB), Engineer, Procure, Construct (EPC), or Engineer, Procure, Construction Management (EPCM), any time you are doing construction, there is a contract involved. This two day workshop is about the construction site contract administration process and how the activities affect the contract administration team.

The lead person on a site construction contract is the Contract Field Engineer. On a daily basis they have to make decisions to act or not to act. These decisions could materially affect the Contractor, the Owner, and others. If the design, schedule, and contract documents are not prepared with the site and contract administration in mind there are going to be problems on site and claims. The size and number of site problems encountered depend largely on what has transpired in the design office. The contract documents should be structured to provide the right of sufficient control to assure timely, economical, and successful completion of the contracts.

It's not one task that is important to the management of contracts, but many tasks. All of them are equally important to the success of the project. Together these tasks form a complete program for site contract administration. If the Contract Field Engineer ignores any of them, the program collapses. This workshop outlines those tasks that are important to the Contract Field Engineer and why they are important.

Good contract management in the field is an important part of staying out of the claims arena. A lot of work goes into developing the construction contracts and the field personnel have to administer the contract to ensure the construction is done according to the signed documents. Once the contract is signed, the field has to live with it. To make the field effort as trouble free as possible, those preparing the documents should understand what happens in the field and what is important to the field for contract management.

## Learning Outcomes

Participants will learn to:

1. Why their ethics are important to the successful management of their contracts
2. What makes up the basic requirements for a valid contract
3. The basics of contract administration and what they need to do to effectively manage a contract
4. What the common causes of claims are and how to be proactive in avoiding them
5. The basics of the bid process, important points in a tender document, unbalanced contracts, and typical open ended clauses to avoid.
6. The importance of documentation to the contract and what the statement, "The one with the most information wins!" means.
7. Schedule basics, terms, and schedule significance to a contract
8. The basics of Earned Value Analysis and how it is used to measure contract progress.
9. The importance of safety in the management of a contract including due diligence, hazard recognition and identifying site hazards
10. The basics of procurement for works, goods, and consulting services and why their input is important.
11. The importance of Interface Coordination on a project, what's needed for project completion and how to make sure they have the required information.



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## Duration and Training Method

Two classroom days providing 1.6 CEU (Continuing Education Credits) or 16 PDH (Professional Development Hours)

## Who Should Attend

This workshop will benefit those, in industry and government, who have to manage the contracts in the field and who's job it is to prepare the contract documents. This would include field engineers, contract administrators, construction managers, project managers, project engineers, superintendents, procurement, consultants, and site personnel interfacing with contractors.

## Course Content

### Course Agenda

#### Day One

##### Module 1 - Introduction

At the end of this session the learner will be able to describe:

The Scope, Schedule, Budget, Resources relationship for projects  
Project delivery systems and contract management  
Contract Field Engineer typical interfaces

##### Module 2 - Ethics When Dealing With Contractors

At the end of this session the learner will be able to describe:

Why ethics are important to the Contract Field Engineer  
- Ethical issues to be aware of

Unlawful activity

The importance of appearances

Exercise: CS 202 The Case Of The Revised Technical Specification

##### Module 3 - What Is A Contract

At the end of this session the learner will be able to:

- Define a contract
- Know the purpose of a contract
- Know the basic requirements for a contract

##### Module 4 - The Contract Package

At the end of this session the learner will understand the need for:

General Conditions of Contract  
Special Conditions of Contract  
Pricing & Proposal Information  
Technical Specifications  
Drawings and Amendments

##### Module 5 - Relationships With Contractors

At the end of this session the learner will better prepared to work with contractors through:



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Responsibility & authority  
Proper attitude  
Proper relations

## Module 6 - Basis of Contract Administration

At the end of this session the learner will know what is required to effectively manage the contract by:

Knowing the questions to constantly ask  
Knowing the basics of contract administration  
Change orders and field work orders  
Back charges  
Turnover sequence chart  
Reading the contract  
- Using the 80:20 rule

## Module 7 - Common Causes Of Claims

At the end of this session the learner will understand what are the common causes of claims and to be proactive in avoiding them. Some causes include:

Changes due to differing conditions  
Delays, Disruptions, Interferences  
Ripple or Impact Effect of changes  
Breach of contract  
Exercise: CS 104 Dealing With Claims

## Module 8 - Bid Process and Bid Evaluation

At the end of this session the learner will understand the basics of the bid process, important points in a tender document, and unbalanced contracts. Material covered includes:

Request For Proposal and problems  
Different types of proposals  
Design Conditions and Standard Component List  
Tender document  
- Unbalanced proposals  
Exercises:  
Evaluating Unit Prices  
Premium Portion Of The Overtime Rate  
Handling Bid Questions

## Day Two

### Module 9 - Bid Evaluation

At the end of this session the learner will understand the purpose of bidding and bid evaluation, including:

Bidders list  
Bidder pre-qualification  
The bid package  
Bid analysis  
Responsibilities  
Exercise: CS 106 Handling Bid Questions



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## Module 10 - Documentation

At the end of this session the learner will understand the importance of documentation and the statement, "The one with the most information wins!"

Document requirements

Document types

Equipment checkout

Exercise: CS200 The Pickup Truck

## Module 11 - Meetings

At the end of this session the learner will understand the:

The advantages of meetings

The basic principles

The four standard site meetings

Exercise: CS122 Meetings

## Module 12 - Reports

At the end of this session the learner will understand the:

- Daily activity reports

- Daily activity report uses

- Daily activity report contents

## Module 13 - Schedule Importance

At the end of this session the learner will understand:

Schedule basics, terms, and schedule significance

Construction schedules

Contract administrators responsibility

Controlling the schedule

## Module 14 - Progress Monitoring

At the end of this session the learner will understand the:

Contract requirements

Monitoring techniques

S-Curves including baseline, target and actual

Earned Value Analysis

Exercise: Earned value Analysis

## Module 15 - Safety

At the end of this session the learner will understand the:

- Contract requirements

- Due Diligence

- Cost of workplace injuries

- Hazard recognition and identifying site hazards

- Hazards and sources of energy

## Module 16 - Procurement

At the end of this session the learner will understand:



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- The basics of procurement for works, goods, and consulting services
  - Freight terms and why they matter

## Exercise

CSI 12 Sludge Pond

CS 210 The Case Of The Inquiring Bidder

Purchase order vs contract

## Module 17 - Interface Coordination and Project Completion

At the end of this session the learner will understand:

- Interface responsibilities of the Contract Field Engineer
- On site activities
- Meetings
- Planning, mediating, interferences
- Schedule and procurement coordination
- Substantial and Final Completion
- Project closeout