Aspects of a Good Contract

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The Contract Life Cycle

1. Project Development – (preliminary engineering)

2. Advertisement

3. Execution and Construction

4. Completion
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Project Development – (preliminary engineering)

• Set “Scope” correctly

• Avoid “as directed by the engineer”

• Avoid “approvals during construction phase”

• Use “unit pricing” (vs. lump sum) whenever possible

Good Engineering is cheaper than Construction
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Project Development – (preliminary engineering) (cont.)

• Remove as much risk as possible
• Two approvals – first to advertise, second to award

Good Engineering is cheaper than Construction
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Advertisement

• Prequalification should be done prior to receipt – avoid min. experience

• Know the VA procurement code – Construction has special aspects

• Use VDOT specifications and Standards when possible and applicable

• Have a hierarchy of documents – there is a good one in the VDOT specs
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Advertisement (Cont.)

- Avoid sole source products/ proprietary products
- If you allow alternates, you must accept them in order
- Avoid token bids
- Plan to advertise at the right time of the year
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Advertisement (Cont.)

• Buy America

• Davis-Bacon does not apply to non-highway work off the R/W

• No negotiating

• Advertise for not less than 21 days

• Revisions must be posted 10 days prior to receipt of bids
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Execution and Construction

- Two approvals – first to advertise, second to award
- No negotiating
- Plan for inspection staff
- Document, Document, Document
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Completion

- Review lessons learned (good, bad and ugly)
- Use these lessons learned to improve the next project
- Have a ribbon cutting
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A well thought out, well engineered, well written contract will help you avoid this scenario.
Aspects of a Poor Contract
Questions?