

Preface

Construction contracts are often very complex with uncertainties, and at any time anything can go wrong. Since every construction contract is unique, each offers a multitude of different issues and problems. Anyone dealing with a construction contract must therefore equip himself with knowledge and understanding of as many areas as practicable regarding construction contracts to complete the contract/project successfully meeting the main contract objectives of scope, time, cost, and quality.

This book encompasses the knowledge and understanding of the author accrued over 30 plus years providing a comprehensive overview of almost all the construction contracting topics in a step-by-step fashion and in an easy and concise form. A distinct feature of this book is that most of the key topics are addressed with particular references to the Canadian standard form of contract document CCDC-2 (Canadian Construction Documents Committee) as well as the international standard form of contract document FIDIC (International Federation of Consulting Engineers) conditions of contract utilizing the construction experience gained over many years by the author.

The book starts by providing basic information on construction contracts and law, explaining contract binding elements with examples including tort law, the Construction Lien Act, and statutory holdback. Chapter 2 describes roles and responsibilities of parties to the contract and their rights and obligations under the standard form of contract CCDC-2 (Canadian Construction Documents Committee) and FIDIC (International Federation of Consulting Engineers) conditions of contract. Chapter 3 describes forms of construction organizations, and Chaps. 4, 5, and 6 provide information on contract delivery methods, types of contracts, and how to select an appropriate contract strategy explaining strengths, weaknesses, and risks of contract methods and types.

Chapter 7 describes Construction Documents and provides information about many important standard forms of Construction Documents, such as documents published by CCDC (Canada), FIDIC (International), JCT (UK), NEC (UK), AIA (USA), and EJCDC (USA). This chapter further provides information on various types of specifications and standard documents “MasterFormat” and “UniFormat”

for organizing specifications which are jointly developed by CSC (Construction Specifications Canada) and CSI (Construction Specifications Institute, USA). Chapter 8 highlights bidding procedures describing what is “Contract A” and “Contract B” as well as what is covered under bid documents and how bids are evaluated. This chapter also highlights types of bidding: open bidding, single- and two-stage selective bidding, and negotiated bidding with examples on qualified bids, nonresponsive bids, low or tied bids, unbalanced bids, and best value criteria for selection of a bidder. Chapter 9 describes construction risks and how they are analyzed and managed. Chapter 10 describes construction insurances and bonds such as performance bonds, labor and material payment bonds, and bid bonds. Chapter 11 addresses construction time, briefing commencement and completion dates, extension of time, defects liability period, and delay period and their requirements under CCDC-2 and FIDIC conditions of contract. Chapter 11 further describes how to control the construction time while providing an overview of scheduling methods using MS Project and critical path method complete with examples.

Chapter 12 covers construction costs describing requirements of progress payments, final payments, cash allowances and contingencies, and changes in work under CCDC-2 and FIDIC conditions of contract. Finally, this chapter also describes how to control construction cost. Chapters 13 and 14 describe construction quality and construction safety. Chapter 15 describes construction claims: types of construction claims and how to deal with them in the light of CCDC and FIDIC conditions of contract. This chapter explains in detail about various types of delays: excusable and non-excusable delays and compensable and non-compensable delays including acceleration. Various types of changes are defined for a deeper understanding of the reader: directed changes, constructive changes, concurrent delays, cardinal changes, differing site conditions, and disruption.

Chapters 16 and 17 cover suspension and termination of a construction contract and construction dispute issues with respect to requirements under CCDC-2 and FIDIC conditions of contract. Various modes of contract termination are explained: termination by performance, by breach of contract or default, by fundamental breach, by repudiation breach, by mutual agreement, by unforeseen circumstances (force majeure), and by operation of law. The chapter on construction disputes provides information on dispute resolutions recommended by CCDC and FIDIC conditions of contract. Various dispute resolution modes are discussed including negotiations, mediation, dispute adjudication board, conciliation, arbitration, and litigation. The last chapter describes the Construction Contract Administration and the role of the contract administrator throughout various construction phases.

This book is a practical guide for all those professionals who are involved in the construction process and for undergraduate and postgraduate engineering students who intend to join the construction industry. This book is recommended for inclusion within the Construction Management Syllabus.

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Canadian and International Conventions

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