

ADVERTISEMENT FOR BIDS: Published public notice soliciting bids for a construction project. Most frequently used to conform to legal requirements pertaining to projects to be constructed under public authority, and usually published in newspapers of general circulation in those districts from which the public funds are derived. (AIA)

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BIDDER: One who submits a bid for a prime contract with the Owner, as distinct from a sub-bidder who submits a bid to a prime bidder. Technically, a bidder is not a contractor on a specific project until a contract exists between him and the Owner. (AIA)

BID SHOPPER: A term used to describe a buyer who generally plays one proposed supplier or subcontractor against another for the purpose of reducing his purchase price. (AGC)

INVITATION TO BID: A portion of the bidding requirements soliciting bids for a privately financed construction Project. (AIA)

INVITED BIDDERS: The bidders selected by the Architect and the Owner as the only ones from whom bids will be received. (AIA)

NOTICE TO BIDDERS: A notice contained in the bidding requirements informing prospective bidders of the opportunity to submit bids on a Project and setting forth the procedures for doing so. (AIA)

PREQUALIFICATION OF PROSPECTIVE BIDDERS: The process of investigating the qualifications of prospective bidders on the basis of their competence, integrity and responsibility relative to the contemplated Project. (AIA)

RFP: Request for proposal. (AGC)

- BID DATE:** The date established by the Owner or the Architect for the receipt of bids. (AIA)
- BID FORM:** A form furnished to a bidder to be filled out, signed and submitted as his bid. (AIA)
- BID TIME:** The date and hour established by the Owner or the Architect for the receipt of bids. See also "Bid Date". (AIA)
- BIDDING DOCUMENTS:** The advertisement or invitation to bid, Instructions to Bidders, the bid form and the proposed Contract Documents including any Addenda issued prior to receipt of bids. (AIA)
- BIDDING PERIOD:** The calendar period beginning at the time of issuance of bidding requirements and Contract Documents and ending at the prescribed bid time. See also Bid Time. (AIA)
- BIDDING REQUIREMENTS:** Those documents providing information and establishing procedures and conditions for the submission of bids. They consist of the notice to bidders or advertisement for bids, Instructions to Bidders, invitation to bid, and sample forms. See also "Bidding Documents". (AIA)
- CLOSED SPECIFICATIONS:** Specifications stipulating the use of specific products or processes without provision for substitution. (AIA)
- CONDITIONS OF THE BID:** Conditions set forth in the Instructions to Bidders, the notice to bidders or advertisement for bids, the invitation to bidders or other similar documents prescribing the conditions under which bids are to be prepared, executed, submitted, received and accepted. (AIA)
- INSTRUCTIONS TO BIDDERS:** Instructions contained in the bidding requirements for preparing and submitting bids for a construction Project. See also "Notice to Bidders". (AIA)

- ACTIVITY:** (C.P.M.) A task or item of work that must be performed in order to complete a project. (AGC)
- ACTIVITY DURATION:** The amount of time estimated as required to accomplish an activity. (AGC)
- ADDITION (to the structure):** A construction project physically connected to an existing structure, as distinct from alterations within an existing structure. (AIA)
- ALTERATIONS:** (1) A construction project (or portion of a project) comprising revisions within or to prescribed elements of an existing structure, as distinct from additions to an existing structure. (2) Remodeling. (AIA)
- APPRAISAL:** Evaluation or estimate (preferably by a qualified professional appraiser) of the market or other value, cost, utility or other attribute of land or other facility. (AIA)
- ARROW DIAGRAM:** (C.P.M.) An arrangement of arrows representing activities that describe a project. The head to tail relationship of the activity arrows indicate the sequence in which activities will be performed. (AGC)
- BAR CHART:** The most common form of "scheduling" used for construction work. It shows total length of time, the general categories of work and the time each is expected to take but does not show the interrelation between the various activities. (Forum)
- BOUNDARY SURVEY:** A mathematically closed diagram of the complete peripheral boundary of a site, reflecting dimensions, compass bearings and angles. It should bear a licensed land surveyor's signed certification, and may include a metes and bounds or other written description. (AIA)
- BORING:** A drilling into the earth to bring up samples of the soil to be found at various depths, with the purpose of estimating the load-carrying capacity of the soil. (AGC)
- CONTRACT LIMIT:** A limit line or perimeter line established on the Drawings or elsewhere in the Contract Documents defining the boundaries of the site available to the Contractor for construction purposes. (AIA)
- CONTRACT LINES:** The survey lines on the construction drawing within which the contractor has the responsibility under the contract. Work outside the "contract lines" such as sewer, streetmains, will be the responsibility of the owner or developer. (Forum)
- CRITICAL PATH METHOD (CPM):** A charting of all events and operations to be encountered in completing a given process, rendered in a form permitting determination of the relative significance of each event, and establishing the optimum sequence and duration of operations. See also "Pert Schedule". (AIA)
- DUMMY:** (CPM) A pseudoactivity with duration of zero. A dummy is a dotted line arrow and used solely to indicate sequence. (AGC)
- EARLIEST EVENT OCCURRENCE TIME:** (C.P.M.) The earliest point in time that all activities that precede (whose arrows enter) the event will be completed. (AGC)
- EARLIEST FINISH (EF):** (C.P.M.) Earliest time that an activity can be finished. (AGC)
- EARLIEST START (ES):** (C.P.M.) Earliest time an activity can be started. (AGC)
- EVENT:** (C.P.M.) The starting point in an arrow diagram for an activity. Also the completion of an activity. It requires no time. Indicated on the arrow diagram by a number enclosed in a circle. (AGC)
- FAST TRACK:** A construction contract that is let without final plans and specs which are supplied as the work progresses. Popular with some government agencies and a splendid source of income to lawyers. (Forum)
- FREE FLOAT:** (C.P.M.) The amount of extra time available for an activity if every activity in the project starts as early as it is possible. It is thus the amount of float that can be allocated to an activity without interfering with subsequent work. (AGC)
- I:** (C.P.M.) A symbol that describes the event at the tail of an activity arrow (see movement of inertia). (AGC)
- I-J:** (C.P.M.) Any arrow in an arrow diagram. (AGC)
- J:** (C.P.M.) A number that describes the event at the head of an activity arrow. (AGC)
- LAND SURVEY:** A survey made to determine the lengths and directions of boundary lines and the area of the tract bounded by these lines; or a survey made to establish the positions of the boundary lines on the ground. (See boundary survey; survey). (AGC)
- LAND SURVEYOR (TOPOGRAPHICAL SURVEYOR):** A person who measures land and buildings for mapping. Most engineers, structural, civil or mechanical, can act as surveyors since designing requires a knowledge of surveying. (AGC)

LATEST EVENT OCCURRENCE TIME: (C.P.M.) The deadline by which time an event must be completed if the project is not to be delayed. (AGC)

LATEST FINISH DATE: (C.P.M.) The latest point in time by which no further work must be done on an activity if the project is not to be delayed. (AGC)

LATEST START DATE: (C.P.M.) The latest possible point in time by which an activity must be started if the project is not to be delayed. (AGC)

METES AND BOUNDS: The boundaries, property lines or limits of a parcel of land, defined by distances and compass directions. (AIA)

PERT: In the pure sense, a probabilistic, event-oriented control technique. An acronym for Project Evaluation and Review Technique. In recent times, the term PERT has been used as a synonym for critical path method. (AGC)

PERT SCHEDULE: An acronym for Project Evaluation Review Technique. The Pert Schedule charts the activities and events anticipated in a work process. See also "Critical Path Method (CPM)". (AIA)

PROGRESS SCHEDULE: A diagram, graph or other pictorial or written schedule showing proposed and actual times of starting and completion of the various elements of the Work. See also (1) Critical Path Method (CPM); (2) PERT Schedule. (AIA)

"S" CURVE: A chart showing when and how much money must be paid by the owner to the contractor on the anticipated job progress on the contractor's requisitions. The base data from this is taken from the C.P.M. or Bar Chart which shows anticipated rates of progress on the job and is translated into the dollars needed by the owner to pay for job progress. A financial tool showing the "cash flow" to the job. (Forum)

SOIL: Generic term for fine earth material produced by the decomposition of various rocks, mixed organic matter and decomposed vegetable matter above bedrock. (AGC)

SOIL MECHANICS: The study of the composition of soils, their classifications, strength, water flow through them and active and passive earth pressures in relation to them. (AGC)

SOIL PROFILE: A section showing the vertical succession of soil on a site. (AGC)

SOIL SAMPLER (SAMPLING SPOON): A tube driven into the ground to obtain an undisturbed sample. Used primarily for clays, since the technique of getting undisturbed samples of clean sand is much more complicated. (AGC)

SOIL TEST: A test to ascertain whether soil is suitable for leaching and to determine the size of the tile field. (AGC)

SUBSURFACE INVESTIGATION: The soil boring and sampling program, together with the associated laboratory tests, necessary to establish subsurface profiles and the relative strengths, compressibility and other characteristics of the various strata encountered within the depths likely to have an influence on the design of the project. (AGC)

SURVEY: (1) Boundary and/or topographic mapping of a site. (2) Measuring an existing building. (3) Analyzing a building for use of space. (4) Determining Owner's requirements for a Project. (5) Investigating and reporting of required data for a Project. (AIA)

TIME (as the essence of the Construction Contract): Time limits or periods stated in the Contract. A provision in a Construction Contract that "time is of the essence of the Contract" signifies that the parties consider that punctual performance within the time limits or periods in the Contract is a vital part of the performance and that failure to perform on time is a breach for which the injured party is entitled to damages in the amount of loss sustained. (AIA)

TIME OF COMPLETION: Date established in the Contract, by name or by number of days, for Substantial Completion of the Work. (AIA)

TOPOGRAPHIC SURVEY: The configuration of a surface including its relief and the locations of its natural and manmade features, usually recorded on a drawing showing surface variations by means of contour lines indicating height above or below a fixed datum. (AIA)

TOTAL FLOAT (C.P.M.) The difference between the amount of time available to accomplish an activity and the time necessary. The difference between an activity's late start and its early start. The amount of extra time available to an activity assuming that all activities preceding have started as early as they can, and that all activities following will start as late as they can. (AGC)

AREA METHOD (of estimating cost): Method of estimating probable total construction cost by multiplying the adjusted gross floor area by a predetermined cost per unit of area. (AIA)

BASE BID: Amount of money stated in the bid as the sum for which the bidder offers to perform the Work, not including that Work for which Alternate Bids are also submitted. (AIA)

BASE BID SPECIFICATIONS: The specifications listing or describing only those materials equipment and methods of construction upon which the Base Bid must be predicated, exclusive of any Alternate Bids. (AIA)

BID: A complete and properly signed proposal to do the Work or designated portion thereof for the sums stipulated therein; supported by data called for by the bidding requirements. (AIA)

BONA FIDE BID: Bid submitted in good faith, complete and in prescribed form which meets the conditions of the bidding requirements and is properly signed by someone legally authorized to sign such bid. (AIA)

LOW BID: Bid stating the lowest bid price, including selected alternates, and complying with all bidding requirements. (AIA)

LOWEST RESPONSIBLE BIDDER: Bidder who submits the lowest bona fide bid and is considered by the Owner and the Architect to be fully responsible and qualified to perform the Work for which the bid is submitted. (AIA)

LOWEST RESPONSIVE BID: The lowest bid which is responsive to and complies with the bidding requirements. (AIA)

LUMP SUM BID: A bid of a set amount to cover all labor, equipment, materials, overhead and profit necessary for construction of a variety of unspecified items of work. (AGC)

T & M (time and materials): Work agreed to between the owner and the contractor with payment based on the contractor's actual cost for labor, equipment and materials plus an add-on factor to cover overhead and profit. (AGC)

TURNKEY OPERATION: A term for all phases necessary to complete construction of a project with undeveloped land and ending with the finished product. (AGC)

- ABSTRACT OF BIDS:** A summary of unit prices furnished by the owner or his representative for a given job, for the purpose of selecting the contractor to be awarded the job on the basis of low bid. (AGC)
- ADDITIVE ALTERNATE:** An alternate bid resulting in an addition to the same bidder's Base Bid. (AIA)
- AFFIDAVIT OF NONCOLLUSION:** A sworn statement, by bidders for the same work, that their proposal prices were arrived at independently without consultation between or among them. (AGC)
- ALTERNATE BID:** Amount stated in the bid to be added to or deducted from the amount of the Base Bid if the corresponding change in project scope or alternate materials and/or methods of construction is accepted. (AIA)
- BID BOND:** A form of bid security executed by the bidder as Principal and by a Surety. (AIA)
- BID SECURITY:** The deposit of cash, certified check, cashier's check, bank draft, money order or Bid Bond submitted with a bid and serving to guarantee to the Owner that the bidder, if awarded the Contract, will execute such Contract in accordance with the bidding requirements and the Contract Documents. (AIA)
- BILL OF MATERIALS:** Quantity survey; a detailed listing of all items of material required for construction of a project. (AGC)
- DEDUCTIVE ALTERNATE:** An alternate bid resulting in a deduction from the same bidder's Base Bid. See also "Alternate Bid". (AIA)
- DEPOSIT FOR BIDDING DOCUMENTS:** Monetary deposit required to obtain a set of Construction Documents and bidding requirements, customarily refunded to bona fide bidders on return of the documents in good condition within a specified time. (AIA)
- QUANTITY SURVEY:** Detailed analysis and listing of all items of material and equipment necessary to construct a Project. (AIA)

- AGREEMENT:** (1) A meeting of minds. (2) A legally enforceable promise or promises between two or among several persons. (3) On a construction project, the document stating the essential terms of the Construction Contract which incorporates by reference the other Contract Documents. (4) The document setting forth the terms of the Contract between the Architect and Owner or between the Architect and a consultant.
- AGREEMENT FORM:** A document setting forth in printed form the general provisions of an Agreement, with spaces provided for insertion of specific data relating to a particular project. (AIA)
- AWARD:** A communication from an Owner accepting a bid or negotiated proposal. An award creates legal obligations between the parties. (AIA)
- CONTRACT:** A legally enforceable promise or agreement between two or among several persons. See also "Agreement". (AIA)
- CONTRACT DOCUMENTS:** The Owner-Contractor Agreement, the Conditions of the Contract (General, Supplementary and other Conditions), the Drawings, the Specifications, all Addenda issued prior to execution of the Contract, all Modifications thereto, and any other items specifically stipulated as being included in the Contract Documents. (AIA)
- CONTRACT SUM:** The price stated in the Owner-Contractor Agreement, which is the total amount payable by the Owner to the Contractor for the performance of the Work under the Contract Documents. The Contract Sum can be adjusted only by Change Order. (AIA)
- CONTRACT TIME:** The period of time established in the Contract Documents within which the Work must be completed. The Contract Time can be adjusted only by Change Order. (AIA)
- COST PLUS FEE AGREEMENT:** An Agreement under which the Contractor (in an Owner-Contractor Agreement) or the Architect (in an Owner-Architect Agreement) is reimbursed for his direct and indirect costs and, in addition, is paid a fee for his services. This fee is usually stated as a stipulated sum or as a percentage of cost. (AIA)
- DATE OF AGREEMENT:** The date stated on the face of the agreement. If no date is stated, it could be the date on which the agreement is actually signed, if this is recorded, or it may be the date established by the award. Also, sometimes referred to as the contract date. (AGC)
- FEE:** A term used to denote payment for professional ability, capability and availability of organization, excluding compensation for direct, indirect and/or reimbursable expenses, as an Agreement based on a "professional fee plus expenses". Sometimes used to denote compensation of any kind for services rendered. (AIA)
- GENERAL CONTRACT:** (1) Under the single contract system, the Contract between the Owner and the Contractor for construction of the entire Work. (2) Under the separate contract system, that Contract between the Owner and a Contractor for construction of architectural and structural Work. (AIA)
- LETTER AGREEMENT (LETTER OF AGREEMENT):** A letter stating the terms of an agreement between addressor and addressee, usually prepared to be signed by the addressee to indicate his acceptance of those terms as legally binding. (AGC)
- LETTER OF INTENT:** A letter signifying an intention to enter into a formal Agreement, usually setting forth the general terms of such Agreement. (AIA)
- LUMP SUM CONTRACT:** A contract which provides that the owner will pay the contractor a specified sum of money for the completion of a project. (AGC)
- MEASUREMENT AND PAYMENT:** A system of paying for work completed by measuring the work in place and applying a previously agreed unit cost to the measured amount to determine the total payment. (AGC)
- NOTICE OF AWARD.** Written notice to the contractor that his proposal has been accepted. (AGC)
- OVERRUN (CONTRACT: QUANTITY):** See contract overrun; quantity overrun. (AGC)
- OWNER:** (1) The Architect's client and party to the Owner-Architect Agreement. (2) The Owner of the Project and party to the Owner-Contractor Agreement. (AIA)
- OWNER-CONTRACTOR AGREEMENT:** Contract between Owner and Contractor for a construction Project. (AIA)
- PERCENTAGE FEE:** Compensation based upon a percentage of Construction Cost. See also "Fee". (AIA)
- PRIME CONTRACT:** Contract between Owner and Contractor for construction of a Project or portion thereof. (AIA)
- PRIME CONTRACTOR:** Any contractor on a Project having a contract directly with the Owner. (AIA)
- PROJECT COST:** Total cost of the Project including professional compensation, land costs, furnishings and equipment, financing and other charges, as well as the Construction Cost. (AIA)

- QUANTITY:** Term used to indicate the amount of work to be performed under a variety of items and measurements, e.g., lineal feet, cubic yard, square yard, per each, etc. (AGC)
- QUANTITY OVERRUN/UNDERRUN:** The difference between the original estimated contract quantities and the quantities in the completed work. (AGC)
- SELECTED BIDDER:** The bidder selected by the Owner for discussions relative to the possible award of the Construction Contract. (AIA)
- SEPARATE CONTRACT:** One of several prime contracts on a construction Project. (AIA)
- SINGLE CONTRACT:** Contract for construction of a Project under which a single prime Contractor is responsible for all of the work. (AIA)
- STIPULATED SUM AGREEMENT:** Contract in which a specific amount is set forth as the total payment for performance of the Contract. (AIA)
- UNIT PRICES:** Amounts stated in a Contract as prices per unit of measurement for materials or services as described in the Contract Documents. (AIA)

ATTORNEY IN FACT: A person authorized to act for or in behalf of another person or organization, to the extent prescribed in a written instrument known as a Power of Attorney. See also "Power of Attorney". (AIA)

BOND AGENT (bonding agent): An independent agent, representing bonding or surety companies, who acts as the liaison between the contractor and the surety company. (AGC)

COMPREHENSIVE GENERAL LIABILITY INSURANCE: A broad form of liability insurance covering claims for bodily injury and property damage which combines under one policy coverage for all liability exposures (except those specifically excluded) on a blanket basis and automatically covers new and unknown hazards that may develop. Comprehensive Liability Insurance automatically includes contractual liability coverage for certain types of contracts. Products Liability, Completed Operations Liability and Broader Contractual Liability coverages are available on an optional basis. This policy may also be written to include Automobile Liability. (AIA)

CONTRACTOR'S LIABILITY INSURANCE: Insurance purchased and maintained by the Contractor to protect him from specified claims which may arise out of or result from his operations under the Contract, whether such operations be by himself or by any Subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. (AIA)

DISTRESS WRITER: A surety company which specializes in writing bonds for principals who do not qualify for bonding by more conservative surety companies. Such companies may rely more heavily on security posted by the principal or on collateral indemnities rather than the traditional "Three C's" of surety underwriters: "character, competence and credit." (Forum)

EMPLOYER'S LIABILITY INSURANCE: Insurance protection for the employer against claims by employees for damages which arise out of injuries or diseases sustained in the course of their work and which are based on common law negligence rather than on liability under workmen's compensation acts. (AIA)

LABOR AND MATERIAL PAYMENT BOND: A bond of the Contractor in which a Surety guarantees to the Owner that the Contractor will pay for labor and materials used in the performance of the Contract. The claimants under the bond are defined as those having direct contracts with the Contractor or any Subcontractor. (AIA)

LIABILITY INSURANCE: Insurance which protects the insured against liability on account of injury to the person or property of another. (AIA)

MAKE GOOD: To repair or correct a defect. (AGC)

MAINTENANCE BOND: A document given by the contractor to the owner, guaranteeing to rectify defects in workmanship or materials for a specified time following completion of the project. A one-year bond is normally included in the performance bond. (AGC)

MAINTENANCE PERIOD: The period of time after completion of a contract during which a contractor is required to make good at his own expense any work which needs repair. Also called warrantee time. (AGC)

MILLER ACT BOND or MILLER ACT TYPE BOND: For work on federal contracts the government under 40 U.S.C. Section 270 (a) requires that the general contractor post a bond for performance and payment. The payment bond recites certain conditions and limitations, such as requiring suit within one year of the date after a party does his last work on a project. It also requires materialmen and subcontractors to give written notice in a certain form to the general contractor within 90 days after the date they last supplied the job in order to have a valid claim under the bond. This statute has become a model for state legislation called the "Little Miller Act," i.e., Section 137 of the New York State Finance Law. The form of the bond is adopted in the AIA forms and in many other bonds required by municipal agencies and private owners. By far, the most common form of payment bond. (Forum)

PERFORMANCE BOND: A bond of the Contractor in which a surety guarantees to the Owner that the Work will be performed in accordance with the Contract Documents. Except where prohibited by statute, the Performance Bond is frequently combined with the Labor and Material Payment Bond. (AIA)

POWER OF ATTORNEY: An instrument authorizing another to act as one's agent. See also "Attorney In Fact". (AIA)

PROPERTY INSURANCE: Insurance on the Work at the site against loss or damage caused by perils of fire, lightning, extended coverage (wind, hail, explosion, except steam boiler explosion, riot, civil commotion, aircraft, land vehicles and smoke), vandalism and malicious mischief and additional perils (as otherwise provided or requested). See also "Special Hazards Insurance". (AIA)

SPECIAL HAZARDS INSURANCE: Additional perils insurance to be included in Property Insurance (as provided in Contract Documents or requested by Contractor or at option of Owner) such as sprinkler leakage, collapse, water damage, all physical loss, or insurance on materials and supplies at other locations and/or in transit to the site. See also "Property Insurance". (AIA)

STATUTORY BOND: A bond, the form or content of which is prescribed by statute. (AIA)

SUBCONTRACTOR BONDS: A document given to the prime contractor by the subcontractor, guaranteeing performance of his contract and payment of all labor and materials bills in connection with that contract. (AGC)

SUPPLY BOND: A document given by the manufacturer or supply distributor to the owner guaranteeing that materials contracted for will be delivered as specified in the contract. (AGC)

SURETY: A person or organization who, for a consideration, promises in writing to make good the debt or default of another. (AIA)

SURETY BOND. A legal instrument under which one party agrees to answer to another party for the debt, default or failure to perform of a third party. (AIA)

WORKMEN'S COMPENSATION INSURANCE: Insurance covering liability of an employer to his employees for compensation and other benefits required by workmen's compensation laws with respects to injury, sickness, disease or death arising from their employment. (AIA)

XCU (insurance terminology): Letters which refer to exclusions from coverage for property damage liability arising out of (1) explosion or blasting, (2) collapse of or structural damage to any building or structure, and (3) underground damage caused by and occurring during the use of mechanical equipment. (AIA)

ACCELERATION: Where a contractor is required to complete at an earlier date than that originally scheduled. This is seldom done in a literal sense, but when an owner refuses to grant an extension of time to complete to which the contractor is entitled, the project is said to have been "constructively accelerated" and may entitle the contractor to additional compensation. (FORUM)

ARBITRATION: Method of settling claims or disputes between parties to a contract, rather than by litigation, under which an arbitrator or a panel of arbitrators, selected for his or their specialized knowledge in the field in question, hears the evidence and renders a decision. (AGC)

BONUS AND PENALTY CLAUSE: A provision in the Construction Contract for payment of a bonus to the Contractor for completing the Work prior to a stipulated date, and a charge against the Contractor for failure to complete the Work by such stipulated date. (AIA)

CERTIFICATE FOR PAYMENT: A statement from the architect to the owner confirming the amount of money due contractor for work accomplished or materials and equipment suitably stored, or both. (AGC)

CHANGE ORDER: A written order to the contractor signed by the owner and engineer or architect, issued after the execution of the contract, authorizing a change in the work or an adjustment in the contract sum or the contract time. A change order may be signed by the architect or engineer, provided they have written authority from the owner for such procedure and that a copy of such written authority is furnished to the contractor upon request. A change order may also be signed by the contractor if he agrees to the adjustment in the contract sum or the contract time. The contract sum and the contract time may be changed only by change order. (See "Deduction"). (AGC)

COMPLETION DATE: The date established in the Contract Documents for Substantial Completion of the Work. (AIA)

CONDITIONS OF THE CONTRACT: Those portions of the Contract Documents which define, set forth, or relate to: Contract terminology; the rights and responsibilities of the contracting parties and of others involved in the Work; requirements for safety and for compliance with laws and regulations; general procedures for the orderly prosecution and management of the Work; payments to the Contractor; and similar provisions of a general, nontechnical nature. The Conditions of the Contract include General Conditions, Supplementary Conditions and other Conditions. (AIA)

CONTRACTING OFFICER: Person designated as an official representative of the owner with specific authority to act in his behalf in connection with a project. (AGC)

DAMAGES: When a contract contains clauses relating to sums payable for delays amounting to a breach of contract, these sums can generally only be recovered from the contractor if it can be proved that they are related to the loss caused by the delay. (See "liquidated damages"). (AGC)

DEFECTIVE WORK: Work not complying with the contract requirements. (AGC)

DEDUCTION (FROM CONTRACT SUM): Amount deducted from the contract sum by change order. (AGC)

DELAY: Anything that delays the completion of the job. The delay may be the type which is not the fault of any party and hence result only in the extension of time to finish the job. If, however, the delay is the fault of any party, damages may be assessed against him, e.g., a sub who fails to install his work on time may be liable to the general and the other trades for their added expenses caused by his holding up the job. He may be "backcharged" by the general and sued by the other subs. An owner who fails to deliver the site to the general on time may be liable to the general for the added expenses caused the general by the late start. (FORUM)

EXTRA: An item of work involving additional cost. (See "addition"). (AGC)

FRONT-END LOADING: The practice of overpricing the items to be done at the beginning of a job and underpricing those at the end so that the contractor or sub can be disproportionately large payments at the beginning of the contract. In a fixed price contract there is no harm to the other party, if the contract is ultimately completed (other than the loss of interest on the money used to make the overpayment). However, in a unit price contract this practice, if allowed, will distort the final price of the job and may also hinder redesign of the project during the job's progress since the items to be saved or added may be unrealistically priced. To halt this practice; on fixed price contracts, disapprove trade payment breakdowns that are so loaded. In unit price contracts reject (under terms of bid documents) bids which are "unbalanced". (FORUM)

GENERAL CONDITIONS (of the Contract for Construction): That part of the Contract Documents which sets forth many of the rights, responsibilities and relationships of the parties involved. See also "Conditions of the Contract". (AIA)

GUARANTEED MAXIMUM COST: Amount established in an Agreement between Owner and Contractor as the maximum cost of performing specified Work

on the basis of cost of labor and materials plus overhead expense and profit. (AIA)

INDEMNIFICATION: A contractual obligation, by which one person or organization agrees to secure another against loss or damage from specified liabilities.

Implied: An indemnification which is implied by law rather than arising out of a contract. (AGC)

LIQUIDATED DAMAGES: A sum established in a Construction Contract, usually as a fixed sum per day, as the measure of damages suffered by the Owner due to failure to complete the Work within a stipulated time. (AIA)

MINOR CHANGE (in the Work): A change of minor nature in the Work not involving an adjustment in the Contract Sum or Contract Time, which may be effected by Field Order or other written order issued by the Architect. (AIA)

MODIFICATION (to the Contract Documents): (1) A written amendment to the Contract signed by both parties. (2) A Change Order. (3) A written or graphic interpretation issued by the Architect. (4) A written order for a minor change in the Work issued by the Architect. (AIA)

NONCONFORMING WORK: Work that does not fulfill the requirements of the Contract Documents. (AIA)

PAY ITEM: Any item of work designated on the contract; or an item of work both parties agree will be paid for, if and when it should arise during the work on the project. (AGC)

PROGRESS PAYMENT: Partial payment made during progress of the Work on account of work completed and/or materials suitably stored. (AIA)

RETAINAGE: A sum withheld from progress payments to the Contractor in accordance with the terms of the Owner-Contractor Agreement. (AIA)

SAMPLES: Physical examples furnished by the Contractor for the Architect's review and approval, which illustrate materials, equipment or workmanship, and which establish standards by which the Work will be judged. (AIA)

SHOOTING THE BANK or SECTIONING THE WORK: In a unit price contract, a surveyor's final mathematical determination as to how much material was removed or placed within the "pay lines".

SHOP DRAWINGS: Drawings, diagrams, illustrations, schedules, performance charts, brochures and other data prepared by the Contractor or any Subcontractor, manufacturer, supplier, or distributor, which illustrate how specific portions of the Work shall be fabricated and/or installed. (AIA)

SPECIAL CONDITIONS: A section of the Conditions of the Contract, other than General Conditions and Supplementary Conditions, which may be prepared for a particular Project. See also "Conditions of the Contract". (AIA)

STOP WORK ORDER: An order issued by the owner's representative to stop project work for a variety of reasons, e.g., failure to perform according to contract specifications, unsatisfied liens, labor disputes, inclement weather, etc. (AGC)

TIME (as the essence of the Construction Contract): Time limits or periods stated in the Contract. A provision in a Construction Contract that "time is of the essence of the Contract" signifies that the parties consider that punctual performance within the time limits or periods in the Contract is a vital part of the performance and that failure to perform on time is a breach for which the injured party is entitled to damages in the amount of loss sustained. (AIA)

TIME OF COMPLETION: Date established in the Contract, by name or by number of days, for Substantial Completion of the Work. (AIA)

ADDENDUM: Written or graphic instruments issued prior to the execution of the Contract which modify or interpret the bidding documents, including Drawings and Specifications, by additions, deletions, clarifications or corrections. Addenda will become part of the Contract Documents when the Construction Contract is executed. (AIA)

CLARIFICATION DRAWING: A graphic interpretation of the Drawings or other Contract Documents issued by the Architect as part of an Addendum, Modification, Change Order or Field Order. (AIA)

DETAIL: A drawing, at a larger scale, of a part of another drawing, indicating in detail the design, location, composition and correlation of the elements and materials shown. (AIA)

MODIFICATION (to the Contract Documents):
(1) A written amendment to the Contract signed by both parties. (2) A Change Order. (3) A written or graphic interpretation issued by the Architect. (4) A written order for a minor change in the Work issued by the Architect. See also (1) Change Order; (2) Field Order. (AIA)

PLANS: The official approved plans, profiles, typical cross sections, working drawings and supplemental drawings, or exact reproductions thereof, which show the location, character, dimensions and details of the work to be performed. (AGC)

PLOT PLAN: A scale drawing indicating the location of the construction in relation to the site. (AGC)

PROFILE: (1) A charted line indicating grades and distances and usually depth of cut and height of fill for excavation and grading work; commonly taken along the centerline; a side view, as distinct from a plan or overhead view. (2) A British term for batterboard. (3) In plastering, a template for shaping a mold. (AGC)

RECORD DRAWINGS: Construction drawings revised to show significant changes made during the construction process, usually based on marked-up prints, drawings and other data furnished by the Contractor to the Architect. (AIA)

SECTION (drawing): A drawing of a surface revealed by an imaginary plane cut through the Project, or portion thereof, in such a manner as to show the composition of the surface as it would appear if the part intervening between the cut plane and the eye of the observer were removed. (AIA)

SCHEDULE OF VALUES: A statement furnished by the Contractor to the Architect reflecting the portions of the Contract Sum allotted for the various parts of the Work and used

as the basis for reviewing the Contractor's applications for progress payments. (AIA)

SPECIAL DETAIL DRAWINGS: Larger-scaled and sometimes full-size detailed drawings of specific areas made to insure the builder full information. (AGC)

SUPPLEMENTARY CONDITIONS: A part of the Contract Documents which supplements and may also modify provisions of the General Conditions. (AIA)

WORKING DRAWING: Any drawing showing sufficient detail so that whatever is shown can be built without other drawings or instructions; a detail. (See Drawings). (AGC)