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Arctic Consultancy Services



COMPLEX CONTRACT

GENERAL CONSTRUCTION CONTRACT

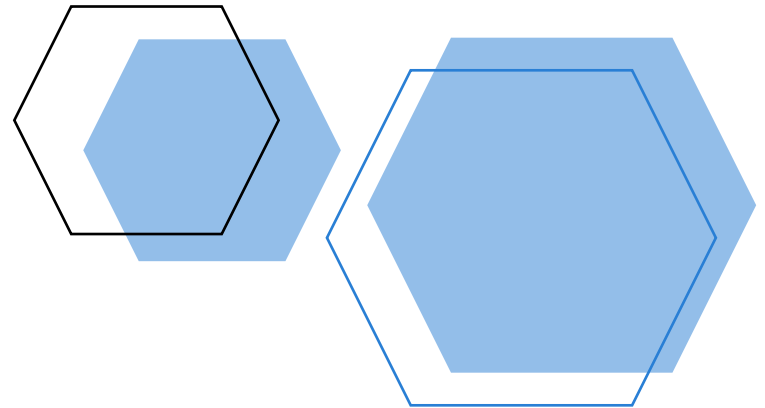
Contracts are complex and require lot of thoughts and inputs from a variety of stakeholders. In our “Complex Contract” package we have put together a template that you can use as a starting point for a head start. This package is suitable for setting up a contract for a Construction scope or General Construction Contract (GCC). You can also modify the templates to set up a contract with hourly rates for labor and equipment.



GENERAL CONSTRUCTION CONTRACT

OVERVIEW AND BENEFITS

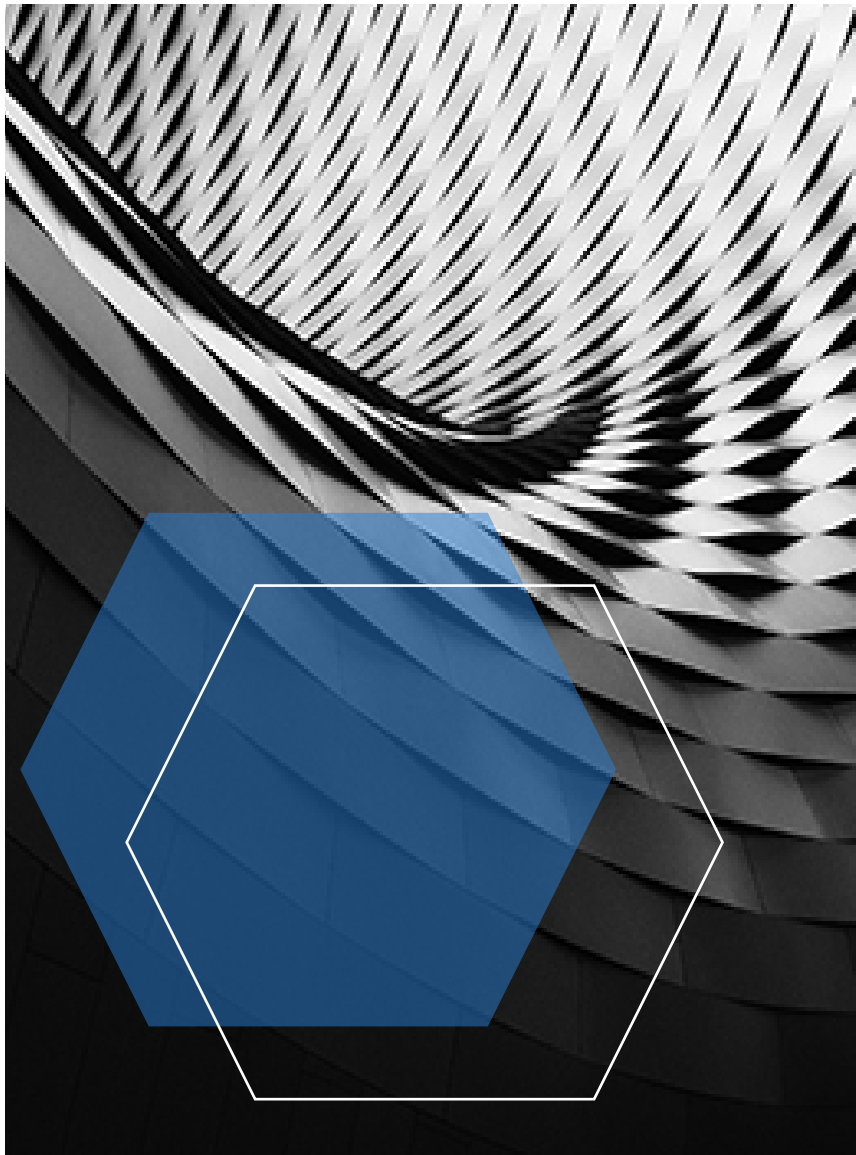
Often organization hire a contractor to perform general construction work in projects. Usually, a GCC will perform multi-disciplinary construction work such as Civil, Mechanical, Electrical, Scaffolding, Insulation etc. Often, by combining multi-disciplinary work, organization can secure better rates due to economy of scale. Additional advantage may be realized during project execution phase where the organization will be required to manage only one GCC instead of multiple discipline contractors. Resource utilization can be better coordinated and optimized.



CONTRACT STRUCTURE

WHAT SHOULD BE INCLUDED

Generally, the starting point of the contract is to determine Scope of Work (SOW) and then determine the set of Terms and Conditions (T&C) to be used. Determining the proposed compensation model is key as well. Most organization would have a set of Terms of Conditions (T&Cs) such as Master Agreement (MA) for either Construction and Supply of Associated Goods, or Master Agreement Construction. These T&Cs are usually recommended. For the RFx process, a generic set of SOW is required. The SOW must identify the discipline to be included in the scope of work (Civil, electrical, mechanical etc.). Compensation for GCC is usually “Cost Reimbursable” and this rate sheet template provided in our package is suitable for “Cost Reimbursable”.



SCOPE OF WORK

SUMMARY DISCUSSION

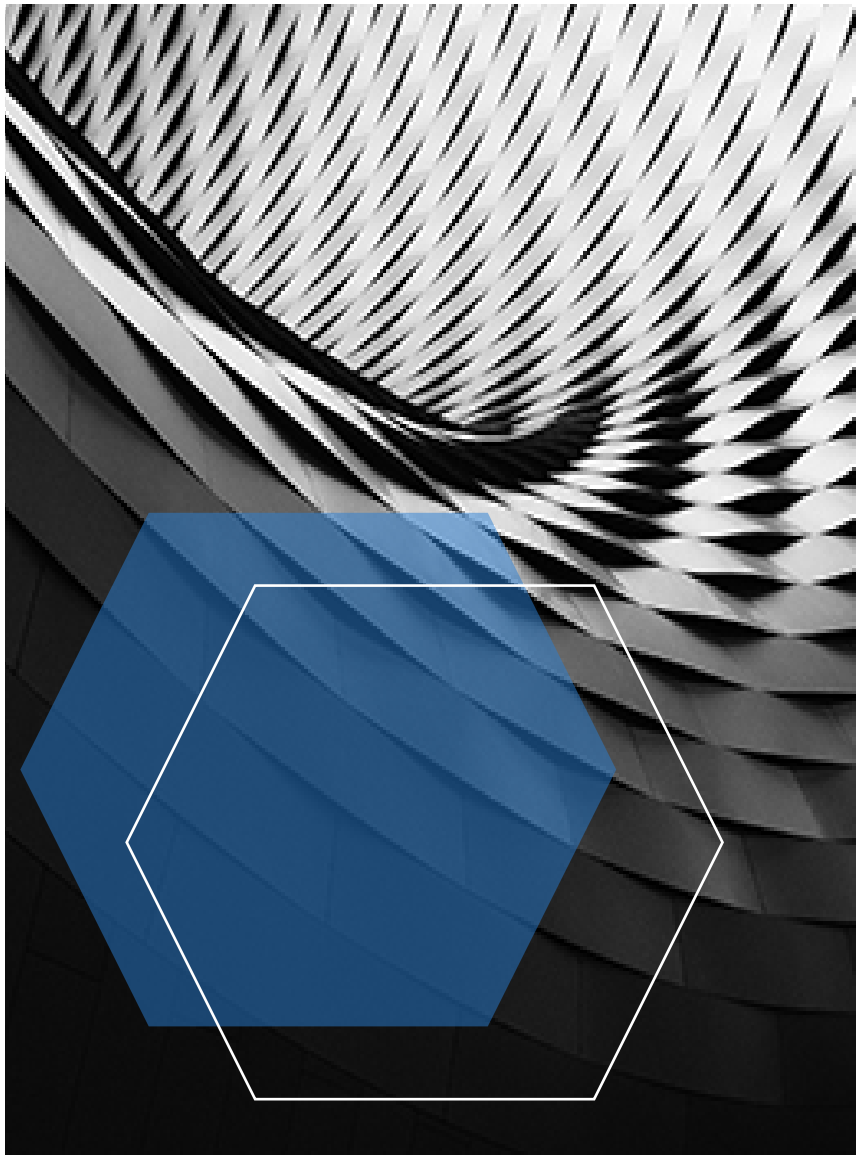
For the GCC, the SOW may be at a high level. Objective of a General Construction Contract is to establish the Scope of Work on which the contractor will work and agree on the hourly rates for the items listed below under the compensation section. When a specific work is required, say for example in the discipline Civil, a work request may be made to the contractor through a “service request”; call-off” or a “service PO”. An estimate is submitted by the contractor which is then reviewed and approved by the company before work is executed.

SCOPE OF WORK GUIDE

USEFUL CHECK LIST TO DEVELOP SCOPE OF WORK

Please use the Scope of Work Guide to help guide the business unit to develop a robust Scope of Work. The guide will act as a prompt for you to ask the right questions to the business unit so that the scope of work is robust. Key areas to focus are:

1. Contractor responsibilities
2. Company responsibilities
3. Schedule
4. Project Completion Criteria
5. Pricing and Payment



COMPENSATION

RATE SHEET

Generally, for a GCC, the contract will establish the hourly rates for all the disciplines for craft and staff. Typical list of compensation rate sheet used in a General Construction Contract is provided in the section below. Not all rate sheets may be required. Please use them as applicable.

Some of the commonly used rate sheets are included in the package we offer.

1. Craft
2. Staff
3. Equipment rates
4. Large tools rates
5. Rates for accommodation, Ground travel, Subsistence, if applicable
6. List of consumable items
7. Small tools
8. Contractor supplied PPE
9. Shift cycles

ARCTIC CONSULTANCY SERVICES

WE ARE HERE TO HELP

We offer a comprehensive service to both owner operators and vendors when it comes to competitive bid management. For owner operators, we can assist in preparing the RFP documents and the bid package. We will manage the entire competitive bid process leading up to bid evaluation and preparing award recommendation.

For suppliers looking to submit a response to a RFP event, we can assist with putting together your bid response package.

Competitive advantage: Our consultants have worked on both sides of the game – Owner Operators and Service Providers. With over 30 years of experience in managing competitive bids, you can leverage our experience either on short term projects or on a retainerhip. Please contact us to discuss your requirements. For defined scope, we work on a fixed fee basis with no hidden cost. Hourly fee and retainerhip model are also available.

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