Most construction contracts are supplemented by other documents such as general, supplementary, and special conditions. These supplementary contract obligations may be incorporated into the project specifications manual or in stand-alone documents. The most widely used contract supplement is the American Institute of Architects AIA Document A201—General Conditions of the Contract For Construction issued in its present form in December 1997.

Too often, project managers consider these documents “boilerplate” and don’t give them the attention they deserve. But nestled amongst it all are many provisions that a contractor should approach cautiously, while others offer a general contractor considerable protection.

**AIA A201—General Conditions of the Contract for Construction**

The previous edition of AIA A201—General Conditions of the Contract for Construction was dated 1987 and sometimes is appended to contracts even though it has been superseded by the 1997 issue. A project manager should read this document from cover to cover at least once, and re-read selected sections from time to time to either support a position or defend against one. Let’s look at some of the provisions of this document and how they affect the administration of a project.

**Article 1: General provisions—the contract documents**

Along with defining the components of the contract documents, Section 1.5.2 in Article 1 requires the contractor to stipulate that they...
have visited the site and are somewhat familiar with local conditions under which the work is to be performed. This is not a statement to be taken lightly, and quite often a contractor’s failure to visit the site and observe conditions that could impact their contract obligations will result in the denial of future claims. For example, if construction has just gotten underway and a site condition not indicated on the drawings is encountered, which would have been apparent upon visiting the site, it may be very difficult to initiate a claim for extra work based upon the notion that its condition wasn’t noted in the contract documents.

Let’s say an abandoned well was found in the area of a proposed footing, and the well cap or well cover was clearly visible. The architect could invoke the provisions of Article 1 as the reason for disallowing a contractor’s claim for additional costs for a structural fill required to raise the subgrade under the footing or lower the elevation of that footing to achieve proper bearing. The abandoned well would have not only been visible, but a prudent contractor should have noted its location and even removed the well cap/cover to determine its depth. Notifying the architect during the bid process would have clarified this matter.

Article 2: Owner

A provision in Article 2 directs the owner to designate in writing a representative with the authority to bind the owner to matters requiring an owner’s approval or authorization. This appointment of an owner’s representative can speed up the communication process between the contractor and owner when field conditions occur that require a prompt owner/architect decision. This section of the General Conditions also stipulates that the owner is obliged to present reasonable evidence that financial arrangements have been made to satisfy the requirements of the construction contract. The contractor may obtain a copy of this financial commitment by writing to the owner and requesting the same.

Another proviso deals with reproducibles. Unless the contract stipulates to the contrary, the owner shall furnish the contractor, free of charge, sufficient copies of plans and specs that are reasonably necessary for the execution of the work. (Does this include sufficient copies for each subcontractor as well? A strong case could be made for several sets for major subcontractors, and one set for minor subcontractors.) The owner, per this article, has the right to subcontract portions of the work by giving written notice to the general contractor. (Author’s note: But suppose the general contractor is a union contractor and the owner hires, say, a nonunion electrical contractor to install their data communications work? Although the owner has the right to do so, a prudent general contractor should respond by requesting that they be held harmless from any labor disputes that arise out of these arrangements.)
Article 3: Contractor

Article 3 is a key component and should be read and comprehended fully. This is true in part because it deals with shop drawings and requires the contractor to take field dimensions of any existing conditions related to the work; thus, any errors, omissions, or inconsistencies discovered should be reported promptly to the architect. In subparagraph 3.12.4 and 3.12.5, this article states that shop drawings are not *contract* drawings. (This voids a contractor’s argument that approval of a shop drawing is proof that the item has been accepted by the architect. If it has been accepted, but is deemed of lesser quality than the specified item, the architect may request, and in fact is entitled to, a credit.)

Contractors would be wise to read subparagraphs 3.12.4 through 3.12.10 relating to shop drawing submissions, review, and disposition in their entirety.

With respect to the review of contract documents for errors and omissions, it is recognized that such a review is being performed by a contractor and not a licensed design professional, thus the contractor is *not required* to ascertain that the plans and specifications are in accordance with laws, statutes, ordinances, building codes, and rules and regulations. Paragraphs 3.2.2 and 3.2.3 absolve the contractor for damages resulting from errors, inconsistencies, or omissions in the contract documents, or for differences between field measurements and conditions and the contract documents *unless the contractor recognized such an error, inconsistency, omission, or difference and failed to report it to the architect.*

Article 3 assigns the contractor responsibility and control over construction means, methods, techniques, and sequences unless the contract documents dictate otherwise. In another section, it restates that the contractor has no responsibility to ascertain that the contract documents are in accordance with applicable laws, statutes, ordinances, building codes, and rules and regulations. (*Project managers take note:* This will diffuse arguments about responsibility for costs of those last-minute additions to the scope of work when building officials, during one of their many walk-through inspections, require more exit lights, fire alarm devices, and so on.) The contractor is obligated in this section of the General Conditions to submit a construction schedule for the architect’s *information.* (*Previous issues of this A201 document required submission of a schedule for the architect’s *approval.*)

The question of “costs” to be included in an allowance is frequently raised by the contractor and owner who often don’t agree on what is to be included or excluded. For example, does an allowance include the contractor’s overhead and profit or not? Article 3.8 answers this question
and others concerning the reconciliation of an allowance item. Unless otherwise stated in the contract, an allowance includes:

- The cost to the contractor of all materials, labor, and equipment for the item delivered to the site, including taxes and trade discounts.
- The contractor’s cost to unload and distribute equipment and materials and all related labor and installation costs, which shall be included in the contract sum.
- The contractor’s overhead and profit for the allowance, which should be included in the contract sum and not in the allowance.

If the allowance, when reconciled, is more or less than stated in the contract, the contract sum is to be adjusted by a change order and shall reflect the difference between the actual cost and the allowance. If the actual cost of the allowance exceeds its contract value, the contractor’s overhead and profit can be added to the coverage amount when a change order is issued. Lastly, Article 3 states that the contractor shall not be required to provide professional services which constitute the practice of architecture or engineering unless specifically called for in the contract.

**Article 4: Administration of the contract**

Article 4 repeats, once more, the contractor’s right to control the construction means, methods, techniques, sequences, or procedures since these are “solely the contractor’s rights and responsibilities.” The architect is charged with the duty to review shop drawings with reasonable promptness. (The exact time frame for shop drawing review is frequently spelled out in other parts of the contract documents—for instance, special, supplementary conditions—but the word “reasonable” does restrict the review time frame to some degree.)

The architect is charged with the authority to interpret and decide matters concerning performance or requirements of the contract documents or interpretations and decisions consistent with the intent of, or reasonably inferable from, the contract documents. *(Author’s note: There appears to be a lack of checks and balances in this arrangement. The person who prepared the plans and specs is given authority to interpret these documents and rule on their intent. This is like asking the fox to watch the proverbial chicken coop!)*

Article 4.2.7 stipulates that architect approval of a specific item does not indicate approval of an assembly to which the item is a component. This provision could apply to a value engineering proposal presented by the contractor where one component of an assembly is substituted and approved, but its substitution invalidates the assembly. For example, the substitution of the type or gauge of roof coping or flashing may be
approved by the architect but will not meet the manufacturer’s recommendations, hence a roofing bond will not be issued by the manufacturer of their agent.

Article 4 includes procedures for filing a claim and sets a time limit of 21 days after the occurrence of the event as the time frame within which the claim must be filed. The subject of claims for concealed conditions or unknown conditions cited in subparagraph 4.3.4 make it an important section to read and understand. The sentence referring to “differing conditions” may be helpful for those contractors filing a claim for unsuitable soils or excessive rock when actual conditions encountered differ materially from those set forth in the geotechnical report accompanying the bid documents. There is a fine legal line between “differing conditions” and “materially different conditions,” just ask your company attorney.

When the contract labels all sitework as “unclassified,” this in effect means that whatever deleterious material the contractor uncovers must be removed and replaced with acceptable fill, at no cost to the owner. However, if such a claim is based upon conditions uncovered that vary significantly from those anticipated after a reasonable review of the geotechnical report, invoking the “differing conditions” provisions of subparagraph 4.3.4 may allow the contractor to recover some of these extra costs.

Another important part of this article is subparagraph 4.3.10 which disallows any claims for consequential damages. This theoretically denies the contractor the right to use the Eichleay formula, which is a method to establish a contractor’s claim to recoup unabsorbed or underabsorbed corporate overhead costs in delay claims. Dispute resolution procedures are included in Article 4 and mediation is deemed the first step in that endeavor. If mediation fails to resolve the claim, arbitration is the next step in the process, thus several paragraphs in this section outline the steps to be taken to invoke mediation and arbitration.

Subparagraph 4.5.4 is entitled “Limitation on Consolidation or Joinder,” which may be of interest to general contractors if they have reached the arbitration stage in dispute resolution matters. The term joinder means to join with. If, for example, both general contractor and subcontractor have a claim against the owner, they cannot join together in one arbitration proceeding, but must pursue their claims individually—the subcontractor should file for arbitration against the general contractor, and the general contractor should file for arbitration against the owner, if such is the case.

**Article 5: Subcontractors**

The general contractor is directed in Article 5 to submit in writing a list of proposed subcontractors to the architect who should promptly review and reply as to whether the owner has objections to any of the
subcontractors presented. The contractor is cautioned not to proceed to contract with a subcontractor which the owner/architect has objected to; however, if the rejected subcontractor could have been deemed reasonably capable of performing the work, the contract sum will be increased or decreased by the substitution of an owner-acceptable subcontractor. When a general contractor is considering invoking this provision, the GC should request a written statement from the owner containing their reasons for the rejection of any subcontractor, and if the general contractor disagrees with the owner’s assessment, they must respond to the owner in a letter stating their views, all of which should be properly and completely documented.

The author of this book had just such an experience as this when he was requested to obtain bids on low voltage alarm systems for a senior living community project. The owner rejected all subcontractors’ bids and requested that a bid be solicited by a low-voltage systems supplier they had employed on several recent projects in other parts of the country. This “preferred” supplier failed to submit their bid in a timely fashion, failed to submit a proper schedule of values for comparison with the other bidders, and failed to deliver materials and equipment in a timely fashion. It was apparent that this vendor felt that their “preferred” position with the owner would cover a multitude of sins, until the author sent a letter to the owner advising them of serious delays in the offing unless their vendor met the current project’s demands. Within a day or two the much needed equipment arrived at the jobsite.

Provisions in this article require the contractor to bind all subcontractors to the contractor by the terms of the contract documents and assume all obligations and responsibilities which the contractor maintains toward the owner. This is a standard “pass-through” provision which is actually beneficial to the general contractor. According to Article 5.4 the general contractor must include in their subcontract agreement a provision allowing the assignment of a subcontract to the owner under specific conditions spelled out in detail in the subparagraph dealing with the Contingent Assignment of Subcontracts. This allows the owner some degree of protection in case a general contractor defaults on the project. Rather than renegotiate with existing subcontractors to complete the work, possibly at much higher costs, the owner merely “takes over” all active subcontract agreements.

**Article 6: Construction by owner or by separate contractors**

Article 6 affords the owner the right to subcontract certain portions of the work; however, as stated previously, if the general contractor anticipates that a conflict could arise due to collective bargaining agreements, the owner must be advised of these potential problems in writing.
Article 7: Changes in the work

Article 7 deals with change orders and the construction change directive (CCD). A change order, according to Article 7, is based upon an agreement between owner, contractor, and architect, but a CCD can be issued by an owner requesting a change in the contract scope when there is no agreement on cost.

If the CCD issued by the architect affects the contract sum, an adjustment in the contract sum will be based upon one of the following:

- A mutual acceptance of a lump sum, properly itemized and documented.
- Unit prices contained in the contract (if, in fact, there are any in the contract)
- The cost—to be determined in a manner agreed upon by all parties as well as a mutually acceptable fixed amount or percentage for the contractor’s fee and overhead
- A time and material cost approach, which should include:
  - The cost of labor and fringe benefits
  - The cost of materials, supplies, and equipment, including transportation costs
  - The rental costs of equipment whether rented or company-owned
  - The costs of bonds, insurance premiums, and any related fees
  - Additional costs of supervision and field office personnel directly attributable to the work

Subparagraph 7.3.6 of this article contains a full explanation of the CCD process. Subparagraph 7.3.8 is also of importance to contractors and states that all amounts in the CCD not in dispute can be included in the current application for payment. This is an important consideration because it means that an interim billing can be included in a current application for payment for change-order work completed but for which no formal, fully executed change order has been previously received. Change-order work that can stretch out for months can only be billed when it is fully complete. Don’t forget to consider potential changes in contract time when formulating the CCD. Will the contract time remain unchanged, or will it decrease or increase?

Article 8: Time

The definition of “contract time” is included in Article 8. Unless stated otherwise, the Contract Time is the period of time, including authorized adjustments (change orders), that is required to attain Substantial Completion of the project. The term “day,” unless otherwise stated, is
meant to be a calendar day. Methods by which delays and extensions of time are to be handled are included in this section of the general conditions.

**Article 9: Payments and completion**

In Article 9, the contractor is directed to submit a Schedule of Values for approval by the architect prior to the submission of the first Application for Payment. If there are no objections from the architect, this Schedule of Values will be incorporated in the contractor’s monthly requisition requests and serves as the basis for determining the percent of completion for each line item in that requisition.

This article stipulates that payment is allowed for the onsite storage of materials and equipment, but any request for offsite storage payments must be made to the architect in writing, and is conditional upon meeting the following terms and conditions:

- A presentation of a procedure by the general contractor to insure that the title to the materials/equipment will pass to the owner. This can be accomplished by submitting a bill of sale, which will automatically transfer the title to the owner once payment is received.
- Evidence is presented that the cost of insurance, storage, and the subsequent transportation to the site will be paid by the contractor.
- An insurance certificate is furnished which documents that coverage will remain in effect during storage and transportation to the site.

Article 9 includes conditions that permit the architect to withhold certification for payment on the monthly requisition:

- If defective work has not been repaired/replaced
- If third-party claims have been filed
- If the contractor fails to make payments to the subcontractors or pay for labor, materials, and equipment incorporated into the building
- If reasonable evidence exists that the work cannot be completed for the unpaid balance of the contract sum
- If there’s damage to the owner or another contractor
- If reasonable evidence exists that the project will not be completed within the contract time
- If the contractor consistently fails to perform the work in accordance with the contract documents

Article 9 of the general conditions document directs the contractor to pay each subcontractor upon receipt of the owner’s payment the amount which each subcontractor is entitled to receive. This, in effect, is confirmation of
the standard “pay when paid” clause. This article states that subcontrac-
tors may, upon written request to the architect, obtain information regarding percentage of completion paid by the owner to the contractor for their portion of the work.

Article 9 also deals with the subject of Substantial Completion, both defining this stage of completion and payments due the contractor when this phase of construction has been achieved. Partial occupancy and/or use of the project is described in Article 9.8, along with the owner’s and contractor’s responsibilities when phased occupancy is being considered. Last but not least, final payment procedures are set forth, stating that no payment will be made until the contractor does the following:

- Provides an affidavit stating that all labor, materials, and equipment incorporated into the building have been paid for
- Produces a certificate as evidence that insurance will remain in effect for 30 days after final payment and will not be canceled prior to that date
- Provides a written statement that the contractor is aware of no reason that current insurance coverage will not be renewable to cover the period set forth in the contract documents
- Shows consent of surety to final payment (if a bond was required)
- Offers up a release from the general contractor to the owner with respect to any claims, liens, or other encumbrances arising out of the contract—for instance, a final waiver of lien

Article 10: Protection of persons and property

Safety precautions and contractor procedures to protect persons and property during construction are called out in Article 10. This article requires the owner to advise the contractor of the absence or presence of any hazardous materials likely to be encountered on the site. If hazardous materials are discovered on the site, the contractor is to cease work, notify the owner, and await further instructions from the same.

Article 11: Insurance and bonds

In conjunction with specific limits of insurance contained in the bid doc-
ments, Article 11 provides more detail about insurance coverage. Unless otherwise stated in the contract, the owner will purchase and maintain builder’s risk “all-risk” insurance. When partial occupancy occurs, it shall not commence until the insurance company or companies have consented to partial occupancy, or use, by endorsement or otherwise.
Chapter Three

Article 12: Uncovering and correction of work

If a portion of the work to be inspected by the architect/engineer has been covered or enclosed contrary to the architect/engineer instructions, Article 12 requires the contractor to uncover the work if requested by the architect/engineer, and also recover both at the contractor’s expense. If the architect/engineer did not earlier specifically request to inspect the work before being covered, and then decides to do so, the costs to uncover and replace would be cause for a change order to the owner. If when uncovered, the work is found to comply with the contract documents, all related costs will be borne by the owner, but if defective work is exposed, all costs to remove, repair, and replace will become the contractor’s responsibility.

Of importance to the contractor are the contents of Article 12.2.2 which deal with corrective work after substantial completion has been attained. According to the provisions of this article, if during the one-year warranty period the owner fails to notify the contractor of work to be corrected (thereby not affording the contractor an opportunity to do so), the owner waives all future rights to require the contractor to perform that warranty/guarantee work.

Article 13: Tests and inspections

Procedures for inspections and testing are provided in Article 13. Also included in Article 13, seemingly misplaced, is a statement concerning the payment of interest on late remittances to the contractor. Article 13.6.1 stipulates that, in the absence of an agreement to the contrary, interest will accrue on payments to the contractor that remain unpaid from the date payment is due. The interest rate will be the prevailing one at the place where the project is located.

Article 14: Termination or suspension of the contract

The contractor may terminate the contract for the reasons set forth in Article 14. Conditions under which the owner may terminate the contract “for cause” are also included in this article. Article 14 allows the owner to suspend or terminate the contract “for convenience,” the circumstances of which are set forth in subparagraphs 14.3 and 14.4.

The 1987 edition of AIA A201

The current 1997 issue of the A201 document contains 154 substantive changes from the 1987 edition. If any contracts currently administered include the 1987 general conditions provisions, the project manager should carefully review this older document and take note of its predecessor provisions.
AIA Document A201CMa—General Conditions for the Construction Manager Contract

Although many of the provisions contained in AIA A201 are similar to those included in the construction manager (CM) version, there are enough fundamental differences to warrant a project manager administering a construction manager contract to read this document from cover to cover at least once. Article 3 of the CM version of the General Conditions defines the Contractor as the person or entity that performs the construction administered by the construction manager. The contractor is to “carefully study and compare the contract documents with each other,” and they are not liable to the owner, construction manager, or architect for “damage resulting from errors, inconsistencies, or omissions” unless the contractor recognized these deficiencies and “knowingly failed to report it.”

This article requires the contractor to take field dimensions, as required, and compare them with those indicated on the contract drawings. The contractor is also directed to report any errors, omissions, and inconsistencies to the construction manager and architect promptly. A provision in Paragraph 3.7.3 states that the contractor’s responsibility does not extend to verification that the contract documents comply with applicable building codes, laws, ordinances, and other appropriate rules and regulations, similar to the AIA provision.

The topic of “Allowances” is discussed in this article and defines the elements of cost allowed for incorporation in the allowance item. Provisions for the submission of the contractor’s construction schedule are included in this article and although it is to be submitted for the owner’s and architect’s information, it must be submitted to the construction manager for approval. This subtle difference between “information” and “approval” in both the AIA and CM versions can mean quite a bit when a contractor is assembling a claim for delays. An “approved” schedule becomes a baseline schedule, and deviations from that baseline schedule can form the basis for requests for compensable costs associated with the delays. When the schedule is submitted for informational purposes, it serves that purpose only—for information, not acceptance.

Article 4 of A201/Cma establishes the basic responsibilities of the construction manager:

- The CM will determine, in general, if the work is being installed in accordance with the contract documents and will inspect for defects and deficiencies in the work.
- The CM will provide coordination of activities required for the work of the contractors under their supervision.
- The CM will review and certify all requests for payment.
Although the architect will have the right to reject work that does not conform to the contract documents, no such action will take place until the construction manager has been notified. Subject to the review by the architect, the construction manager also has the responsibility to reject nonconforming work.

The CM will receive all shop drawings, and review and approve them as consistent with the contract requirements. The CM will also coordinate them with information received from other contractors and pass them on to the architect.

The CM will prepare change orders and construction change directives for presentation to the architect and owner.

Article 4.7.4 is entitled “Continuing Contract Performance” and states that pending final resolution of a claim, the contractor shall proceed with the performance of the contract. All too often, a contractor, out of extreme frustration in their attempt to resolve a dispute, will tell the owner, architect, or CM: “I’ve had it. I’m going to stop the job until this claim (or change order, or dispute) is settled.” Unfortunately, if that threat is carried out, the contractor will be declared in default of the contract and their bargaining power will be significantly decreased.

Article 4 establishes arbitration as the first step in the dispute resolution process. Article 7, “Changes in the Work,” follows more or less the same procedures as those in the AIA General Conditions documents and includes similar provisions for the preparation of a construction change directive (CCD) in the event that the contractor and construction manager cannot reach an agreement on a lump sum amount for the work. Article 8, entitled “Time,” includes discussions regarding delays in the work, and contains a specific provision in subparagraph 8.3.3 that allows the contractor to recover damages under other provisions of the contract documents.

The Construction Management Association of America publishes their own version of construction manager General Conditions in CMAA Document A-3-2005 edition. These general conditions are meant to be appended to CMAA’s Document A-1—Standard Form of Contract between Owner and Construction Manager. This 37-page document has many similarities with the AIA General Conditions.

The Associated General Contractor’s Version of General Conditions between Owner and Contractor-AGC Document No.200

The Associated General Contractors of America, Inc. (AGC) developed a series of construction contracts and their AGC Document No.200 combines a Standard Form of Agreement and General Conditions between
Owner and Contractor in one document. Contractors using the AGC contract document will find some provisions in the general conditions portion similar to the AIA A201 document, while other provisions may have the same effect but are worded in a slightly different manner. With respect to uncovering errors, omissions, and inconsistencies in the contract documents, AGC requires the contractor to promptly advise the owner of any defects in the plans and specifications, but recognizes the fact that the contractor is not acting in the capacity of a licensed design professional. In other words, the contractor should not be held accountable for building code or building regulation violations.

The matter of warranties is treated quite differently from that in the AIA version of the General Conditions. Although the contractor is bound by a one-year warranty, any extended warranties required by the contract will be assigned to the owner after this standard one-year warranty period has expired. The owner then assumes the responsibility to notify the vendor or subcontractor of warranty issues, and the contractor is bound only to provide reasonable assistance in enforcing the provisions of these extended warranties. Subparagraph 3.10.3 of AGC Document No.200 requires the contractor to designate a Safety Representative whose duty it will be to enforce safety rules and regulations on the site.

Article 10.2, entitled “Mutual Waiver of Consequential Damages,” may be looked upon as a double-edged sword. Recovery of consequential damages, most often those created by delays, cannot be pursued by the contractor, and by the same token, the owner cannot threaten the contractor with consequential damages if they are seeking recovery of costs caused by contractor-generated construction delays.

The dispute resolution menu

Appended to AGC Document No.200, as Exhibit No.1, is a Dispute Resolution Menu, a thoughtfully prepared series of steps to be taken to resolve disputes. The owner and contractor can elect to resolve any potential disputes in one of five ways, as indicated on this checklist-type form which has become an integral part of construction contracts.

- Using a Dispute Resolution Board (DRB), which consists of one member selected by the owner, one selected by the contractor, and a third by two owner- and contractor-selected members. The DRB will meet periodically to track the construction process and make advisory recommendations along the way to avoid or settle any potential disputes or claims.
- Using advisory arbitration, which will be conducted in accordance with the Construction Industry Rules of the American Arbitration Association.
- Holding a mini-trial in which top management from the owner’s and contractor’s organization submit their individual positions to a
mutually selected individual who will make a nonbinding recommendation to the parties (a process similar to mediation proceedings).


- Litigation

The Engineers Joint Contract Documents
Committee General Conditions

In 1990, a joint committee composed of the National Society of Professional Engineers, the Consulting Engineers Council, the American Society of Civil Engineers and the Construction Specifications Institute prepared several contract documents for use by engineers. In cases where roadwork, infrastructure, or other civil engineering projects are concerned, engineers are the designers, and it was felt that these designers should have their own contract and General Conditions documents.

The Standard General Conditions of the Construction Contract, prepared by the joint committee, includes a rather definitive index that requires a full 12 pages of text. This document contains several unique features. Article 2, entitled “Preliminary Matters” requires that a pre-construction conference be arranged within 20 days after contract signing. The purpose of the conference is to establish a working understanding of the project and discuss schedules and procedures for handling shop drawings and other submittals.

Article 3, “Contract Documents—Intent, Amending, Reuse,” states that although it is the intent of the contract documents to describe a “functionally complete project,” the “intended result will be furnished and performed whether or not specifically called for.” This phrase puts the contractor on notice that the “intent” of the documents is of equal importance to the scope defined by the plans and specifications. Although several articles prohibit the design engineer from dictating means, methods, techniques, sequences, or procedures of construction, the contractor is prohibited from working overtime on Saturdays, Sundays, or legal holidays without the written consent of the engineer. Throughout this document, the term engineer is substituted where the word architect would normally be used. Thus, all communications between the owner and contractor must pass through the engineer. Procedures for change orders, the rejection of work, and the approval of progress payments are similar to the AIA General Conditions document, but Article 16, “Dispute Resolution,” is rather unique. The Engineers Joint Committee requires that a dispute resolution method and procedure be spelled out in a separate document designated “Exhibit GC—A Dispute Resolution Agreement.” If no such agreement has been created, the
owner and contractor may use whatever remedy is at their disposal, as long as it does not conflict with any contract language.

**A Word to the Wise**

A project manager should take the time to read all of the contract documents relating to their project, including any general, supplementary, and special conditions. These important contract documents define various situations that may arise during the life of a project, and specify how they are to be handled. These documents elaborate on each party’s duties, rights, and obligations, the full understanding of which is necessary to intelligently and professionally manage the construction project. And as the warning printed on the front page of AIA A201 emphasizes: “This document has important legal consequences.”