

- 5 Telephone/telephone facility.
- 6 Location of workshop—within the city limits or away.
- 7 His knowledge of work and/or his dependence on other/s.
- 8 The number of jobs at hand—a contractor can not handle more than a number of specified projects at a time.
- 9 The quality of earlier jobs executed and their value.
- 10 His connection with a set of various miscellaneous job contractors like plumbing/electric/structure/tile fixing/upholstery, etc.
- 11 His intelligence and experience and attitude towards execution.
- 12 His reputation and credit in the market.
- 13 His general behaviour and temperament.

### Selecting the Contractor

After going through the above criteria, you can judge the capacity and capability of a contractor to execute a certain job. Then to examine further, visit at least three projects executed by him and determine the quality he can produce.

A good contractor will mean minimum headache for the designer, and smooth completion of the work. After a designer has been in the field for a certain time, it is a good policy for him to invite tenders from the contractor who have already executed his works satisfactorily.

In the beginning, when you do not know any of the contractors, it would be helpful to ask your acquaintances, or suppliers of materials, or finding out the names from the trade directories. The best way is to invite an open tender by giving an advertisement in a news or trade paper.

### Conditions to Invite a Tender

Minimum three contractors should be invited by

the Tender Notice. The contractors must be informed of the last date of returning tender (minimum four days and maximum seven days). The tender fee (approx Rs 150.00, non-refundable) and a deposit of Rs 3000.00 (refundable on return of all drawings) should be collected from the contractor. He should also be informed of the place of delivery.

### The Estimate and Estimate Sheet

The contractors are provided with Estimate Sheets to give their estimates. The filling of similar type of sheets results in uniform filling and so it becomes easier to compare the costs.

### Definition of Estimate

Estimate is a method of working out the total cost of a full/partial interior design/decoration project.

### Materials Required for Framing an Estimate

These are required for framing an estimate:

- 1 A set of plans, elevations, working drawings, detailed drawings, sketches and a copy of perspective with entire dimensions, notes, instructions and specifications on drawings.
- 2 Detailed specifications of the materials to be used for a particular item, their dimensions, brand names and method of execution of work.
- 3 Quantity of materials to be used.

### Tender Notice

An open Tender Notice sent individually, published in a news or trade paper or journal, can have such a form (see BUSINESS FORMS).

### Checking the Tenders

The sealed tenders are opened in front of the client so that he would not harbour any kind of suspicions in connection with estimate.

The Estimate form is supplied by the designer to

all the tenders, all the items are filled uniformly, and any variation in item/labour rates can be verified at a glance. If any contractor has made any error, it can be corrected immediately.

Sometimes, unwittingly or unwittingly, a contractor makes an error in calculation by omitting a single figure which lowers the estimate making it more acceptable to the client. But later he walls to get paid more by citing the error in calculation putting the blame on human judgement. This results in disharmony among the client, designer and contractor. So it is better to check all the rates of items, their amount and totals and grand total carefully.

### Special Instructions to the Contractor

The contractor should visit the site first and go through the drawings thoroughly. For a certain item, he should study the specifications and special conditions, which would help him to arrive at the base cost. Then by adding material, conveyance charges, labour contingencies, percentage of involvement and profit, he would arrive at the net price of that item. This is converted into:

m<sup>2</sup> (square metre) linear by Total Price → Area  
 Am (running metre) by Total Price → Linear length

### Special Conditions

These points should be considered as special conditions for an estimate:

- 1 Date of commencement of work.
- 2 Date of completion of work.
- 3 Liquidated damages ₹ Rs. 100.00 per day.
- 4 Minimum value of work done for the issuance of Interim Certificate: Rs. 5,000.00.
- 5 Retention percentage ₹ 10%.
- 6 Period for honouring the Certificates: 3 days after the issuance of the Certificate by the designer.

## Form of a Typical Estimate Sheet

You will find a proper and detailed Estimate-cum-Contract Sheet in BUSINESS FORMS.

### Awarding of the Tender

The usual practice is to award the tender to the lowest bidder. This is fraught with hazards. A moment's thought would indicate the folly of this act.

A certain project with certain specifications would cost a certain amount at a certain period. This certain period is important because it would obtain almost uniform material prices, labour charges, various consultants' fees, minor or allied contractors' bills, equipment hire rates, conveyance expenses and other miscellaneous expenditure. The items producing difference in estimate would be the handling and supervising charges and the margin of profit. This should not make a difference of more than 15 to 20% in various estimates. So highest estimate, theoretically should not be more than 20% of the average estimate, and the lowest estimate should not be less than the average estimate by 20%. So if an average estimate is worth Rs 1,00,000.00, the highest would be worth Rs 1,20,000.00 and the lowest worth Rs 80,000.00. Anything going beyond or below these amounts should be considered erroneous and checked thoroughly, and if there are not any errors, it would mean that the tenderer is cutting on something somewhere or going for cheap labour or not adhering to specifications. So it is wise, and in the interest of quality work, to award the tender to an average estimate.

In case your client insists on awarding it to a lowest or lower estimate, check the credentials of the contractor as specified above, and enquire with him as to why his estimate is lower, and if you are satisfied, award it to him, otherwise

explain things to the client. If he agrees, then all right, otherwise you will have to go along with the client. In that case, keep a strict supervision as described in the coming chapter.

### The Work Order

When a contractor is selected to execute a project, he is given a letter by the designer to that effect. It is the designer's moral responsibility to give this letter to the contractor. And a contractor should not commence the work before he is given the work order.

Please see the form of Work Order under BUSINESS FORMS.

### Interim Certificate

Interim means *meanwhile*, and Interim Certificates are issued by the designer to the client to make a "meanwhile" payment to the contractor on completion of certain value of work done or certain percentage of work done. The retention money, as per the percentage mentioned in the contract, is deducted while issuing the Interim Certificate.

Only on issuance of these certificates will the client pay the amount to the contractor within a period stipulated in the contract. If the client fails to pay the amount to the contractor within that period, the same period of delayed payment shall be added in the total period of completion of work of contractor. This period will be taken as grace period while considering the liquidated damages. See the specimen of Interim Certificate and Final Payment Certificate under BUSINESS FORM. Let us define the terms *liquidated damages* and *retention money*.

### Liquidated Damages

The word *liquidated* here means previously unfixed. Liquidated damages is a sort of fine

levied per day of the excess period taken for completion of the work. The minimum liquidated damages is charged at the rate of Rs 100.00 per day. This amount varies with different circumstances obtaining and conditions of the contract.

The liquidated damages are not recovered when:

- 1 The client delays in giving possession of the site.
- 2 Date of completion is not mentioned in the contract.
- 3 Delay is on account of extra/s or extra work more than 15% of the estimate.
- 4 Delay is due to *force majeure*, or the circumstances beyond human control like very heavy rains, floods, earthquake, etc.

### Retention Amount

The retention amount means held back amount. It is a sort of security deposit from the contractor, in the custody of the client, usually 10% of the total value of work, and is deducted while certifying every Interim Certificate.

The retention money is paid to the contractor on the satisfactory completion of entire work.

The idea of retention money is to act as

- 1 A compensation of the delay in completion of a project caused by the contractor.
- 2 An adjustment-amount in the final bill against the over-payment made in interim certificates.
- 3 A surety against any defects in workmanship.
- 4 A guarantee of satisfactory completion of work, deterring the contractor to leave the job incomplete.

### Extension of Work

In the execution of a project, many people and

agencies are involved. Hence it is likely that a project is not completed on time. Now, the designer has the authority to grant necessary extension of time for the completion of a project keeping in view the following conditions:

- 1 Delay due to acts of God or force majeure.
- 2 Disputes with local authority.
- 3 Disputes with the person owning adjoining property.
- 4 Situation of violence/war/strikes/lockouts or other circumstances affecting the supply of materials or transportation of the labour to the site.
- 5 Incomplete instructions and/or details and/or their absence thanks to the designer.
- 6 Increase of extra work by more than 15% of the total value by the client/designer;