



# **Building Relationships Through Better Communication-**

*The General  
Contractor/Subcontractor  
Relationship*

*November 4, 2008*



# Agenda

- Miscommunication: Where can it occur??
  - Design/scope
  - Schedule/manpower
  - Payment
  - Backcharges/closeout



# Design/Scope of Work Issues

- Effect of Subcontractor Proposals—  
incorporated or not?
- Pre-Bid Questions to General Contractor
- Scope Meetings/Pre-Contract Conferences?
- Value Engineering/Substitutions



# Schedule/Manpower Issues

- Completion Date/Distribution of Initial Schedule
- Completion Date/Trade Completion Date or Overall Project Completion Date
- Changes to Schedule by GC Notice Goes Both Ways
- Productivity Effects
- Acceleration



# Payment Issues

- Pay If Paid Provisions/Understanding up-front
- Up Front Financing Information
- Retainage/Negotiations and Reduction Milestones
- Effect of Bonds on retainage
- Accounting for Lower Tiers Subs/Suppliers
- Payment Issues During Construction
  - Notice of Problems to Subs
  - Work Stoppages?



# Backcharge/Closeout Issues

- Early Notice before supplementation by GC
- Timely notice and documentation of backcharges
- Clean-Up
- Closeout Documents/Timing
- Timing of Final Payment
  - Lower tier subs and suppliers
  - Punchlist completion and approval process



# Case Study

- Within your group answer these questions to defend the claims
  - How much was XYZ's delay?
  - Is XYZ responsible for the overtime for the curtain-wall sub?
  - Is XYZ responsible for the extra lift for the curtain-wall sub?
  - Is XYZ responsible for the overtime for other trades?
  - Is XYZ responsible for extended GCs?
  - Is XYZ responsible for liquidated damages?
  - Name 3 things the GC could have done better to manage the situation Better (from start to finish)

