

TOOLBOX TALK #11

Scheduling and Terms of Payment

(5 minutes)

ODRD: Owner's designated representative for design

The owner or the entity that is responsible to the owner for the overall structural design of the project, including the structural steel frame. This is usually the structural engineer of record.

ODRC: Owner's designated representative for construction

The owner or the entity that is responsible to the owner for the overall construction of the project, including its planning, quality, and completion. This is usually the general contractor, the construction manager, or similar authority at the jobsite.

QUESTION: What is the fabricator's expectation for scheduling and payment?

The *Code* says...

1.7. Construction Schedule

Construction Schedule The *ODRC* shall provide a construction schedule in the bid documents. The period of performance by the steel *fabricator* and *erector* shall be mutually agreed upon with the *ODRC* prior to contract award.

9.5. Scheduling

- 9.5.1. The contract schedule shall state when the *design documents* will be released for *construction*, if the *design documents* are not available at the time of bidding, and when the jobsite, foundations, piers, and abutments will be ready, free from obstructions, and accessible to the erector, so that erection can start at the designated time and continue without interference or delay caused by the *owner's designated representative for construction (ODRC)* or other trades.
- 9.5.2. The *fabricator* and the *erector* shall advise the *owner's designated representatives for design (ODRD)* and *ODRC*, in a timely manner, of the effect any revision has on the contract schedule.
- 9.5.3. If the fabrication or erection is significantly delayed due to *revisions* to the requirements of the contract, or for other reasons that are the responsibility of others, the *fabricator* and/or *erector* shall be compensated for the additional costs incurred.



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If you're using structural steel, the *Code of Standard Practice for Steel Buildings and Bridges (ANSI/AISC 303-22)* applies to your contract.

Simply put, the AISC *Code* defines who's in charge of what, when, where—including before any potential conflict arises—and other members of your project team are already using it in their own contracts. Download it for free at aisc.org/code.

Sections 1 and 9 of the *Code* provide the requirements for scheduling and terms of payment and should be referenced for managing these activities with your fabricator and/or erector.

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9.6. Terms of Payment

The *fabricator* shall be paid for *mill materials* and fabricated product that is stored off the jobsite. Other terms of payment for the contract shall be outlined in the *contract documents*.

Commentary:

These terms include such items as progress payments for material, fabrication, erection, retainage, performance and payment bonds, and final payment. If a performance or payment bond, paid for by the *owner*, is required by contract, no retainage shall be required.

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