

B. Architecture

Professional Practice and Ethics (AR6703)

Introduction to Tender and Process

Lecture - 5

Tender and its Purpose:

Tender is one main agenda of every architect or every engineer or every entrepreneur. So tender is an offer made by one party to another party for execution of a specified work at an accepted cost as per the conditions laid in the tender document. So it is one offer made by one party to the another party for execution for need of their project to be done, so this is accepted in a cost as a demand which is accepted by the party with an offer of something like a condition made in the document. To invite bids for a project or to accept a formal offer such as takeover bid. So there will be like an invitation happening to calling upon tender is like come and take over the project and here are the bids like that there will be PP calling and to accept their formal offer such as take over and the bid will be happening like that, so where by the governments invite bids for large projects that must be submitted within a finite deadline. So in order to take over a government offers so there will be this process called private public partnership, if it is a government project it will be like crore's and crore's of projects and that will be only happening with the private public partnership. So this must be submitted within a date of time with the they code. So the main tender process is generally the selected by the client or a contractor to construct the works. So this is the client who selects the tender who needs to be complete this project in a finite manner.

So the tender is utilized by tendering process

- Government departments, offices and agencies will be looking up on the tender which will be vast and they need a convention center or sports complex or the urban area then this government departments will be need for a tender

- Private sector companies and businesses who needs to build the corporate offices and more like that
- Non-governmental organizations want their services to be built in headquarters like that in order to serve from the spot.
- So oversees markets and business will be waiting is tender also

Purpose of Tendering

So this is the main purpose where the tendering knowledge will be getting into, so two things need to be consider before any tendering process can be done. So the procurement option and the second is the contractor option. The procurement option is this the process by which the contractor is selected and to construct the building with regard to the contractual arrangement between the parties. So here is the thing there will be two parties the why need to be construct a building and for that they will be selecting a contractor and that can contractor will be working under this contractual agreement then he said to be procurement optional guide. The second thing is contractual option. It is the contractual agreement that will exist between the client and the main contractor and there will be not another party. SO if it is direct with the client and contractor then it is called contractor option.

Procurement Option

Procurement option will be further leading into

- Traditional
- Design Building
- Contract Management

Why is the three option coming here is since there are two parties we need to make it more strong than the traditional options, so when we consider about the tender issue like

- Expression of the interest: Use to shortlist the potential supply before seeking detailed offers, he will be discussing about this expression of interest
- Request of information: Request for proposal in the further slides. So here are the term knowledge request for the information used in the planning stage to assist in the defining the project however it's not used to the selection of suppliers

- Request for the Proposal: Used where the project requirements have been defined, but an innovative or flexible solution is needed. This request for proposal will be quoted in order to avail the project to be defined and that's it
- Request for a quotation: Invitations between the business to provide a coat for the provision of specific goods or services. When there is a pure business motive to provide the quotation only like a specific and estimation person, he will be quitting the amount of need like a BOQ, he will be quitting up and this is the profession only for goods and services and he needs to be dull ever.
- Request of Tender: An invitation to tender by the public advertisement open to all the suppliers, while this is the thing when happen this public partnerships will be going on, will be announced as a advertisement and on seeing this advertisement. People will be quitting form the different parts of the world

Calling for the Tender

This is one important scheme while we can awhile wide range of tenders from all over the world using this calling so how could we call there are three options, in the three or

- by public notice
- by private invitations
- by negotiations

By Public Notice: This by we can publicly invite like a call for a whole city and the people of tenders will be coming and knocking the door like a day there will be happening and tenders will be happening like a least and more

By Private Invitation: This every single person can invite six of the private investigation of him, so this private invitations there will be a few panel of contractors, he will de deciding from two as want as tender and they will be calling upon the six guys

By negotiations: So Negotiations is this one to one well I know that guy and want that guy to be doing and that this is called as tender and this is through negotiations. So the call for the tender's on the selection basis only few or invited to quote the cost from the panel of contractors. Preselected list of possible suppliers, so the number of them invited to tender are not more than six in a selective tendering process. As I say by the private

invitations there should be no more than six number of private tendering process.

Purpose of Tendering

So here are the purposes of tendering why are we need to tender first. Tendering is the one primary objective is to select a main contractor to undertake the whole construction project phase. So there needs to be contractor how big or bow small if your project is there needs a contractor and this contractor can be identified from the tender processing schemes. Before selecting the main contractor a number of factors need to be considered, like we needs to be very clear about which the guy is going to be and whom to whom we are talking to be like the contractors will be widely spread over to the city but we need the main contractor that one single able guy who can take over the tender and can proceed or project. So research the following factors and report on how they can affect the project

Terms

These are the specific terms that we need to know before we get into the analytical part of this tender

M.Book

M. Book means measurement book all measurements of work are to be recorded in it. M.Book is the measurement book which will be very oftenly used while we analytically scheming up the tender.

CPM Chart

So CPM is critical part method which courses straight away the project management scheme which will be widely helping for the analytical projects. So these will helps you all the tasks that must be completed part of projection. This is predictable, when it is predictable that we can go for the critical part method.

PERT

The program evaluation and review technique is what the expansion of PERT and this is a statistical tool used in the project management which was designed to analyze and represent in task involved in completing a given project. So their own be any specific deadlines then we will going for the

PERT technique which is also a statistic tool that will be help many place of the project management to avail the project and to identify the start and finish point of the project PERT will be using.

Types of Tenders:

These are the types of tenders. So there are three types of Tendering

- Open Tender
- Selective/Closed Tender
- Negotiated Tender

Open Tender

Open tender is what exactly we called as a public tender which will be open to all, call for all people can come from all over the city and selective or closed to the private contending in which I know who want to be coming so I will be calling this six persons and they will be bidding upon the six members. Negotiation is like one to one we can call upon the guys for the tendering contracting operations

Tender Document

Tender or document is the primary part of every tender, so we need to document our tender in order to ask questions in the future for contractor if any false things happening in the site, so this is important the tender document plays an key role in the entire process of the tender. Normally consists of

- The tender notice
- Any other special notice/M.O.U
- Letter of Offer
- Conditions of execution
- Specification of Work
- One set of building drawings
- All bills of quantities/quotations/etc., Any relevant records

So these are the normal consists of list why is the tender notice in the first is it will be consisting of further nominee people who are all want to be there and what are the quotation on the first itself. Special notice if it all from the government like the specification of heights and more it will be also attaching those second of that. Letter of Offer is from who you got this

contractor like the client name and the letter of offer will be attached to that, so that he is the legally tenderer we can know this from the letter of offer. Conditions of Executions there will be certain conditions to execute before the site, so it is totally pure depended upon the site conditions the execution should happen. Specification of work this will be scheme like when to what happen, when the excavation happens, when the installation happens, the schemes and dates will be specified upon this area. One set of building drawings from the architect should be always carried in the tender document and hence every side details and discussions will be happening with this set of building drawing. So all the bill of quantities/ quotations from the specification team will be also attached to the tender documents, these are the important consideration which will be having the tender documents, then on top of the tender notice has I said this is very importantly to be attached and the top of it, it is attached in the tender document.

Tender Notice

So essential characteristics of a tender notice is

1. Tender notice must mention the name of the owner, the place, nature an extent of work and the estimated cost. So it must be denoting the owner's name and the place and nature an extent of work from the cost itself we can know the scheme of work and how much more the materials and source of elements we should get from
2. so earnest money and tender fees this is what will be getting installation before the project run and fees for the contractor
3. Minimum time for the close tender and when the project is going to be done we can calculate from this PERT or CPM method this will be happening here, on top of it out of the CPM and PERT technique will be we can able to calculate this close of tender
4. Date of opening of Tender, so when can the opening date of tender happens and what are all the progress happen till date is what the theme of this date of opening of tender details. So place of tender or opening and closing we need to discuss about this place where the tenderer got selected and the opening and closing date so that he can know the ability of the contractor and how many days he have been book like that, the site visit terms and condition so we need to know when the contractor will be inside and accordingly architect and plan and go check the guy and ask for the progress may be so that it is

important to note the site visit terms and condition also, so attached some papers will be helpful for the in the site happening. When submission of tender is happening this are all the important thing need to be consider, the rate and the rate of the tender, it is important to code wince we know we got the BOQ from the spec guys, it is valid to give the rate at the top and time limit in order to consider the source and transport the duration that the project is going to complete is this what ultimate a and drawing issue cleared and without ambiguity, so that there will be no clumsy or questions from the side calling to the architect of or the structural engineer and there will be a scheme of works progressing all the time at the site

5. So bill of quantity shall be acquired from the spec guys this bill of quantitates form this is accuded that we need not to doubt about the materials and transportation which is been transacted to our side, any other special conditions like special treatments it must be clearly indicated like for example if the construction is happening at coonoor like any hills stations then it is to mention that materials like whether proofing quartz so that it will proof itself it need some extra cost to be filled up. So it is important to mention this specific extra material like special cost it will be then
6. Site particulars all detailed one like this site conditions what are the materials and goods where they all detailed in one it should be like site visit detailed as we mention earlier
7. we should be submit at the point of the tender quoting itself how many times the site visits will be and when will be the architect or structural consultant will be the so that the tender it will make it happen

If the selected guy shall not withdraw the acceptance, not always the lowest is preferred in the private tenders. Tenders are not only because of quoting the lowest chart because of it should be containing qualitative treatment surprise of that will be satisfying the client like for example it should be cost effective and it should be qualitative not only the low cost you cannot win the tender but you should qualitative for winning a tender.

Selection Criteria:

The selection criteria that your tender will be evaluated on may include:

- The technical merit of your proposal, so your proposal itself consist of a detailed documentation of what is goanna happen and what you goanna quote if you are selected what you are goanna do it should be mentioned as the priority, for the technical merit of your proposal to be clear
- The capability of your business is to be fulfilled on a manner of technical and management skills also
- The relevant skills will always upgrade your profile and portfolio to the successful ambiance, so that the relevant skills experience and availability of the key personal is really important when you select a criteria. So quality assurance requirement and the risk or constraints associated with your offer. So we should be always aware that the risk and constraints associated with your offer so you have to keep it in your mind and quote for the best prize.

Acceptance of a Tender

- The Contractor shall be informed about his selection. After once the tender got selected after the bidding process ends the every contractor will be called personally inform that he is the contractor to the new tender process and then
- Agreement of the contractor will be signing,
- Time limit for the waste and shall be discussed like how long it's goanna happen and what are all the materials he need and for that how long the time he needs like that verifications will be discussed.
- Clarification on drawing and site shall be carried out so that the site visits and the drawings. According to the site can be probably made so this clarifications verified, the offer gets expired of it's not expected in time, so it's with you contractor guys to accept the tender on time else not in your hand
- So if the client is mischeived or fraud then the contractor shall be paid the "quantum merit" , who should be paying the client and for eating the client in a way like making it happen but he want keep this wait and that time he can be aquated to the police like quantum merit under act
- This deposit others must be defrauded
- Work order shall be issued. So after verifying all this process and acceptance of tender only the work order will be issued

Other Factors

So these are the other factors that should also be consider, of course prize is an area of evaluation but this is not necessarily mean that the cheapest prize will win the tender as I told you already it is not only that quote a lowest prize and win the tender no it's a nightmare but this will not be happening. So the cost and benefit of your tender will access other factors also such as you should be keeping in your mind that always fitness for purpose so quote the money as much you need as it is so maintenance and running cost include the maintenance and running cost also, so the most of the people won't be attaching this, this will lead to be spoiling of contractors name in the future so this is not happening in our contract, so no the risks is that goanna take and give the warranty period get the warranty time this is goanna be the warranty of your product and project , the quality environment and safety condition should be maintain in the side, energy conservation will be your ultimate motive in order to supply a change and material cost. Disposal value you should be very cautious about your disposal value of your source or your material, capacity of the supplier we should be knowing to this capacity of the supplier and we should be verifying the capacity of the supervisors also, wider benefits to the customers, this all will be helpful to the clients and this will be reacting and reflecting in your next contracts, so keep that in mind this will be the helpful factors and as I already told now exclusive you see about the terms which we already mention about.

Earnest Money Deposit

Earnest money about deposit is the money once deposit in the initial deposit be sent along in the tender application to show the genuineness of the contractor mostly with it will be within 1-2% of the estimated cost which will be added to the security deposit if the selected or refunded for those who were not selected. So at the stage of fixing up the contractor the client should sent 1-2 % of the estimated cost amount to the contractor in order to show his genuineness give confidence to the contractor which will be added as a security deposit if he is selected or it will be refunded if he is not selected, so this is not a big deal he should be paying 1-2% at the early time.

EOI

An EOI is the expression of Interest is the method of showing your interest in applying for a skilled visa to migrate to Australia. It is an online like that ask a serious of questions about the enquiries and you can always extruded

RFP

RFP is the request for proposal is a document which will be proposed always to the company interest and the procurement so it is to be submitted an early as possible. An RFP is used whether request the technical expertise also, so this is the request for proposal before the tendering process

Security Deposit

When a tender of a particular contractor is accepted that he may be asked to deposit an amount of 2-5% o the total cost as the precautionary measure so that their deposit will be a security for the completion of work. The arrest money may be added up to the security amount if needed. What I am trying to tell from the security deposit is when tender of a particular contractor is accepted from the contract bidding then he should be asked to deposit a amount of 2 to 5% which is not at all a lost for the guy because this is the precautionary amount which can be future in turn into the security deposit in his own well. So this is the procedure of security depositing

Retention Amount

If the security deposit is paid in installment like if one guy could not able to give the full box and can be give money as a installment amount of every month or every week then this with the client finally one day fulfills the requirement of amount but anyway he will be paying his amount full at a day, so this much amount of money paid under installments is called as retention amount, where the amount is retented. So tender's scrutiny, the tender'sscrutinycommittee consist of panel of official who go through out the scrutinizing process at each stage. The committee consists of owner, architecture, engineer, committee members and other official's. The tender's scrutiny committee consists of officials who will be at each stage of the scrutiny process, so this scrutiny members will be considering the several members.

E-Tendering Term

So E-Tendering is one important term which will be the most happening in the world now because the internet based process where in the complete tendering process from advertising to the receiving and submitting tender related information and done online, so just imagine how much man work this is sacrificing and this is good positive thing and internet based process that can save every step of a human and this is the fastest processing method than the manual method, so for instance the tender India website is a central source of Indian government and public set of business, opportunities and corrigendum and the bit awarded list. You can use the websites search facilities to help you identify tenders which may be suitable for your business

The information listed on Tenders India Includes

- Latest Tenders
- Open Tenders
- Corrigendum
- Archive Tenders
- Bit Awards

So this is one example like how the same tendering is happening there are so much communication system which are working on the E-tendering to help from the tenders online.

So advantages of the E-tendering will be enabling from more efficient paper based transactions are reduced to eliminate facilitating for a more speedy exchange of information. So this company is an online tender service that provides up to date information about a business opportunities so this worth paying E-Tendering.