

unit prices

working with unknown products or quantities.

Information in this module is based on AIA's Masterspec Evaluations.



WHEN TO USE UNIT PRICES

Examples of when to use unit prices:

- When there are unknown conditions, such as length of piles or inaccessible spaces before demolition.
- When you need over-excavation but you do not know how much.
- In renovation work, when you do not know the scope: Cleaning terra-cotta units.
- Future work: Electric services when layout of furniture is not complete.
- Utilities.

ALWAYS discuss important Unit Prices with the CM or Owner. The Owner should understand the implications, purpose, and cost management.



DEFINITION

UNIT PRICE is an amount proposed by bidders or the Contractor, stated on the Bid Form (or other form) as a price per unit of measurement for materials or services added to or deducted from the Contract Sum by appropriate modification, if estimated quantities of Work required by the Contract Documents are increased or decreased. • Unit prices include all necessary material, plus cost for delivery, installation, insurance, applicable taxes, overhead, and profit.

- Unit prices are used when the architect knows that there is a strong probability additional work will be needed but cannot describe the nature and quality of unexpected work.
- If there is not enough information for a Contractor to propose a cost, using unit prices will:
 - Protect the Owner and the Contractor;
 - Provide the necessary provisions to pay for performing such work.

DOCUMENTATION

SCHEDULE UNIT PRICES: Unit Price #1, #2, etc.

- Work covered by the Unit Price quoted needs to be fully described in the Drawings and the Specifications. The scope of what is covered in the Unit Price should be very clear.
- Before requesting Unit Prices, make sure the quantification or measurement can be done from the information in our documents.
- The specs include the administrative procedures for UNIT PRICES and a schedule of unit prices in the "UNIT PRICES" Section in Division 01.
- COORDINATE the Drawings and the Specs so the information that the Contractor needs is complete.

CAUTION!!!

- Before you introduce Unit Prices, **make sure** that the target item can be described in units, is sold in units, all parts are included so the unit works, can be measured in units, and its cost can be estimated in units.
- Unit prices can change if there is a long period of time between the time the unit price was quoted, and the time the Owner makes the decision to include the item in the work. Unit prices can also change if the quantity of material or product changes, for example, if a unit price quote for carpet tile was done for the entire floor, and now it will be installed in only one room, the unit price will change.