

## Describing Alternates

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Defined by the Construction Specifications Institute's (CSI) *Project Resource Manual* as "optional work items that may or may not be made of the contracted work," alternates are frequently used to maximize an owner's budget without having to rebid or negotiate a bid. This is generally a good thing if not taken to excess. However, the way alternates are sometimes described in the project manual and shown on the drawings may confuse bidders as to what is or is not an alternate item.

### What are Alternates Exactly?

More specific than the CSI definition, the AIA has defined an alternate (or an alternate bid) in AIA Document A701-1997, *Instructions to Bidders*, as

an amount stated in the Bid to be added to or deducted from the amount of the Base Bid if the corresponding change in the Work, as described in the Bidding Documents, is accepted.

To really understand alternates you have to know what constitutes a "Base Bid." Also defined in AIA Document A701, a base bid is

the sum stated in the Bid for which the Bidder offers to perform the Work described in the Bidding Documents as the base, to which Work may be added or from which Work may be deleted for sums stated in Alternate Bids.

Therefore, alternates provide a method to adjust the contract amount without having to negotiate scope or cost. The base bid and any alternate bids are submitted concurrently—usually on the same bid form. Before a contract is executed, the owner decides which alternates are accepted. Once the decisions have been made, the agreement will be drafted indicating the alternates that have been accepted.

How an owner determines which alternate or alternates are accepted varies among types of owners. For public construction projects that are awarded based

on low bid, the acceptance of alternates may be governed by policy or law to avoid the appearance of bid manipulation. In those cases, alternates may only be accepted in the order they are numbered in the bid documents.

For example, the public owner will start with Alternate No. 1 and continue by adding or deducting alternates in numerical order until the bidder with the lowest sum of the base bid and alternates reaches a point at which the public owner has decided to stop; typically, this will be the public owner's budget limit. In some instances, the public owner will skip an alternate if, for each bidder, the alternate's bid—when added to the previous sum of base bid and alternates—will cause each bidder to exceed the established limitation.

Other owners not restricted by policy or law, may accept alternates in any order to achieve the maximum benefit at the lowest cost. Regardless of the acceptance method, the instructions to bidders or the supplementary instructions should indicate the process for accepting alternates; so that bidders are fully aware of it before submitting their bids.

However, the instructions to bidders are only a part of how alternates are addressed in the procurement documents<sup>†</sup>. The drawings and specifications need to define the scope of each alternate, as well as to coordinate with each other and the bid form.

### Alternates and the Drawings

The drawings need to clearly define the extent of work associated with the base bid and each alternate so bidders can accurately price the scope of each. Some alternates are easy to identify on the drawings while others are not.

The easy alternates range from an annotation on a schedule (such as an alternate finish) to additional scope of work—large or small—that is clearly independent of the base bid work. The more difficult alternates involve work that consists of variations of the base bid work, such as alternative floor plans and integration of supplemental building elements. Ideally, for the difficult

<sup>†</sup> Although commonly referred to as "bidding documents," this article uses the CSI term "procurement documents," since not all construction documents are bid due to the variety of available project delivery methods. However, this article uses the terms "bid" and "bidder" regardless if the entity is submitting a bid or proposal.

alternates, the drawings should be developed on the base bid work, with separate drawings indicating the alternate work.

For example, a large, single room is part of the base bid, and the alternate bid includes dividing that room with a partition and inserting another door to give the second room an exit. For the base bid, the building floor plan should include the single-room layout. For the alternate, an additional floor plan showing only the room in question—preferably at a scale equal to or larger than the base bid floor plan—should indicate the room with the alternate work. The alternate drawing should be titled to indicate that it is an alternate and should display the alternate number assigned to it.

## Alternates and the Specifications

At minimum, the specifications need to address any alternates in Division 01—specifically, Section 01 23 00, Alternates. However, this section is not intended to be a substitute to proper identification of alternates in the drawings and other specification sections. This section should only describe alternates in sufficient detail so that the bidder has a general summary of each alternate's scope. The summary may include references to specific drawings and other applicable specification sections in the project manual.

In some cases, however, references to specifications are lacking. An example of how this may occur is an alternate that utilizes terrazzo flooring in lieu of the base bid vinyl composition tile flooring. There should be no question that a specification section for the base bid vinyl composition tile needs to be included in the project manual. However, it is not uncommon to see the requirements for the alternate material (terrazzo in this case) specified only in the alternate description in Division 01. This could be a problem, particularly if the alternate is accepted in the agreement.

The obvious problem is that a thoroughly specified material (vinyl composition tile) has been replaced with an inadequately specified material (terrazzo). During bidding, the minimal requirements mean more latitude for bidders, which could result in significant differences between submitted bid amounts. During construction, the lack of submittal, quality assurance, and installation requirements (generally found in PARTS 1 and 3 of a

specification section) may cause the design professional to lose control over the quality of the work.

In regard to specifications, it is best to treat alternates as if they are included in the base bid. Therefore, each material, product, or system indicated in an alternate should have requirements that are specified in appropriate sections of the project manual. If a section includes work covered by an alternate, provide a reference in PART 1 that the work covered in the section is affected by alternates. Repeating the alternate's description in PART 1 of individual sections is not recommended, but a reference to the alternates section in Division 01 may be appropriate.

## Coordinating Alternates between Drawings and Specifications

The coordination of alternates is similar to any other aspect of developing construction documents. The identification of alternates on the drawings should match the identification of alternates in the specifications. Additionally, the identification of alternates on the bid form should match those in the specifications and drawings.

To avoid potential confusion, give each alternate a short descriptive title in addition to the sequential number, and require the use of both (number and title) wherever the alternate is identified in the construction documents. The logic behind this method is that it is easier to make an error by using an incorrect alternate number than it is to use an incorrect title. An additional benefit is that if the alternates should happen to be renumbered for any reason, and not all of the references in the documents are modified, the title would still correctly identify the alternate even if the number is incorrect.

## Some Words of Caution

Although alternates provide the owner with some flexibility, they should not be over used in a project. An excessive number of alternates on a project complicate the bid preparation process for bidders, potentially leading to errors. Additionally, a large number of alternates may give bidders the impression that the design is either lacking in completeness or the owner's budget is not sufficient to support the extent of work

indicated in the procurement documents. To avoid these issues, some public owners may limit the number of alternates allowed in a set of bid documents—usually around 5 or 6.

A mix of additive and deductive alternates should not be used as this will even further duplicate bid preparation. However, alternates should not be identified in the procurement documents as “Additive Alternates” or “Deductive Alternates” even though it may be obvious that an alternate is one or the other; it should be left to the bid preparer to determine.

Although not a common occurrence, it is possible for one bidder to treat an alternate as “additive” while another bidder may treat it as “deductive.” Factors contributing to this condition may include the “additive” bidder being unfamiliar with the work associated with the alternate, while the “deductive” bidder is very familiar with the work associated with the alternate, or is able to obtain products at a lower cost than the base bid products.

Finally, for designers, including alternates in the construction documents requires additional time, and therefore, cost. AIA Document B201-2007, *Standard Form of Architect’s Services*, identifies the preparation of alternate bids as additional services.

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Alternates are a method of controlling the cost variables during the construction procurement process. Design professionals need to treat alternates with the same level of care given to the base bid requirements. Procurement documents that clearly delineate the scope of the base bid and each alternate will provide successful results.

*To comment on this article, suggest other topics, or submit a question regarding specifications or construction documents in general, contact the author at [ron@specsandcodes.com](mailto:ron@specsandcodes.com).*

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