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**Section 1**

**Executive Summary**

This proposal was prepared and submitted by Project Alliance Company Limited (“Project Alliance”) to ……………….. (“the Client”) for …………. Project based on understandings mentioned in **Section 2**.

Service being proposed is so-called ……………………………………………Management ………. Cost Management or Quantity Surveying as discussed with information from the Client and outlined in **Section 3**.

Project Alliance prepared the project master schedule per information approved from the Client as shown in Section 4. The schedule shows Pre – Construction ….. months, Construction …. months from service starting date and Post – Construction will take …. months.

The organization chart in **Sections 5** shows the proposed project team who will deliver the high-class services. Project Alliance only will allocate a team of …… positions to ensure full coverage of the services.

**Section 6** is for proposed staff allocation which indicates phasing in and out of a team of the …. positions to optimize between costs and quality of the services, and to enable clear understanding of the Client rather than being hidden. With this allocation, the Client will gain relatively high quality of services at very reasonable costs. Total man-month is as high as ………….

Project Alliance’s proposed fees for all based on all contents of this proposal is **Thai Baht ………. (……………………………),** **before Value Added Tax**. Which is shown in **Section 7** and broken down as follows:

Project and Construction Management = ............................. Baht

Cost Management = ............................. Baht

Conditions such as payment term, unpaid invoice, exclusions, working hours, annual leaves, validity and service are mentioned in **Section 8**.

Project Alliance proposes agreement for the Services as per **Section 9**, which the Client may select to use.

Project Alliance use their successful experience in drawing up services approach as shown in **Section 10**. The approach focuses on areas that most influence success of a project. Such areas are professionalism, the Client’s requirements, communication, milestones, existing conditions, long lead items, and professional indemnity insurance.

Curriculum Vitae and Job Description of key staffs are attached in **Section 11**. To ensure focus on this very important project, the Managing Director will lead the Head Office Support by himself to steer and maintain quality of services, and will assist the project team for general as well as critical matters.

Submission Record in **Section 12** is to facilitate perusal of future changes.

**Section 2**

**Understanding The Project (“the Project”)**

The Client are planning to develop a project as follows:

|  |  |
| --- | --- |
| **Location** |  |
|  |  |
| **Land Area** |  |
|  |  |
| **Existing Conditions** |  |
|  |  |
| **Total Gross-**  **Floor Area** |  |
|  |  |
| **Building Type** |  |
|  |  |
| **Budget** |  |
|  |  |
| **Status** |  |
|  |  |
| **Consultants** |  |
|  |  |
| **Contract Packages** |  |
|  |  |
| **Materials by Client** |  |
|  |  |
| **Remarks** |  |

**Section 3**

**Proposed Scope of Services (“the Services”)**

Project Management for Pre-Construction

This is to manage issues that are required to proceed prior to commencement of construction works. Such issues are planning, designs, tenders, etc.

1. Assist the Client with establishment of project requirements.
2. Manage the overall process of design to monitor that the design conforms to the project requirements.
3. Prepare project organization structure.
4. Define responsibilities and reporting relationships.
5. Prepare an overall construction strategy of the site including phasing and sequencing, logistics, security plan, etc.
6. Advise the design team on division of the Project into separate construction contracts.
7. Prepare a master schedule of the Project.
8. Identify long lead items in the master schedule.
9. Monitor the design completion portion of the master schedule and identify design deliverables including drawings, design calculations, specifications and quality control procedures.
10. Manage the architect to effectively coordinate with other designers.
11. Provide input to the designers on appropriate construction techniques.
12. Review designs at each stage and comment on build ability, cost effectiveness, functionality and ease of maintenance.
13. Advise and assist the design team and the Client in obtaining all requisite approvals for pre-construction activities.
14. Organize site surveys, establishment of site grid/datum, soil investigations and demolition.
15. Coordinate with Cost Manager (or Quantity Surveyor) for budget preparation and update.
16. Coordinate with Cost Manager (or Quantity Surveyor) for cost reports.
17. Coordinate with Cost Manager (or Quantity Surveyor) for tender process.
18. Coordinate with Cost Manager (or Quantity Surveyor) for value engineering exercise.
19. Review and comment on budgets, cost reports and tender documents.
20. Organize and record regular project meetings with the Client and other consultants to discuss the following agenda:
    1. Design issues
    2. Budget issues
    3. Regulatory issues
    4. Tender issues
    5. Schedule issues
    6. Review of open issues
21. Prepare and submit monthly reports which include issues of design, budget, regulatory, tender, schedule, problem areas and recommendations for resolutions.

Construction Management

This is to manage issues arising during construction of the Project. Such issues are site administration, scheduling, quality inspection, safety, testing, commissioning, handover, etc.

1. Organize site teams and organization charts expressing reporting relationship between individuals and parties.
2. Provide standard forms and procedures to facilitate effectiveness of site communication.
3. Establish and manage house rules for the site.
4. Set-up, chair, run and record kick-off meetings with contractors to confirm roles, responsibilities and requirements for construction of the Project.
5. Review construction documents from design consultants and request for remedy of discrepancies, if any.
6. Issue instructions with design consultants’ construction documents and subsequent revisions to contractors.
7. Control that instructions to contractors are recorded in writing and maintain logs.
8. Confirm control points, alignments and locations of leveling stakes with contractors.
9. Monitor that all contractors submit a sufficiently detailed contract schedules before commencement of works.
10. Review the construction schedules submitted by contractors and negotiate all revisions necessary to obtain workable schedules acceptable to the Client.
11. Monitor contractors’ compliance with schedules. Liaise with contractors’ senior management as appropriate.
12. Evaluate actual works done for the contractor’s requests for progress payments.
13. Review delivery schedules submitted by contractors for long lead items such as plant, equipment, etc.
14. Evaluate and recommend time extension.
15. Monitor performance of contractors on a daily basis.
16. Review contractors’ daily requests and reports.
17. Monitor contractors’ compliance with contracts.
18. Review contractors’ proposed procedures and method statements.
19. Provide administration of the distribution and storage of the appropriate information.
20. Handle queries from contractors. Issue the queries to other consultants as appropriate and follow up their responses.
21. Review contractors’ site logistics including site operations access, storage, site accommodation, welfare, utilities, fire services, medical facilities, safety and emergency routes.
22. Manage share of utilities usage and charges between contractors.
23. Establish guidelines and approve the contractor’s site safety and security plans.
24. Establish quality management guidelines and approve the contractor’s implementation plan.
25. Monitor contractors’ quality program.
26. Perform site inspections to confirm compliance with the construction documents.
27. Issue non-conformance notices to contractors for works not complied with construction documents or construction standards.
28. Monitor contractors’ proposals and implementation of remedial to non-conformance works.
29. Manage submissions and review of shop drawings.
30. Manage submissions and review of material samples including ones to substitute the specified.
31. Monitor that all specified testing of material is properly conducted by approved institutions and review all data and confirm compliance with required standards.
32. Review material certifications submitted by contractors.
33. Set-up, chair, run and record regular site meetings to review the following agenda:
    1. Regulatory issues
    2. Design issues
    3. Schedule issues
    4. Safety issues
    5. Submission issues
    6. Review of open issues
34. Set-up, chair, run and record regular technical meetings to discuss and resolve technical problems and resolutions.
35. Set-up, chair, run and record regular safety meetings to review and discuss safety issues.
36. Facilitate site visits and walks by the Client, design consultants and others.
37. Prepare and submit monthly reports which include issues of design, permits/licenses, tender, negotiations and agreements with third parties, the contractor’s performance, schedule report, cost/financial report, bonds, progress photos, problem areas and recommendations for resolutions.
38. With contractors and appropriate consultants, establish and manage procedures for the commissioning of all mechanical and electrical services.
39. Establish standards for final acceptance of all construction work and approve contractors’ implementation plans.
40. Inspect, prepare and submit defect lists and rectification schedules to the Client.
41. Advise the Client on acceptance of practical completion.
42. Organize handover of the Project to the Client’s operational staff, together with all necessary training demonstrations, commissioning records, as-built drawings, maintenance and operation manuals, and outstanding defect lists.
43. Review and issue certificates of practical completion.

Post-Construction Management

This is to manage issues continued after practical completion of the Project. Such issues are as-built drawings, manuals, final reports, etc.

1. Monitor submission of as-built drawings from contractors and check their adequacy and content.
2. Monitor submission of maintenance and operation manuals from contractors and check their adequacy and content.
3. Manage contractors’ rectification of defects within the periods agreed with the Client in advance.
4. Review and issue certificates of final completion within the periods agreed with the Client in

Advance.

1. Provide information and documents which supplement asset insurance after construction completion.
2. Prepare and submit a final report to record conclusion and/or outstanding works of design, permits/licenses,

tender, contracts with third parties, schedule, cost/financial, bonds, status photos, penalties, problem and

resolutions, defect lists, certificates of practical completion, as-built drawings, maintenance and operation

manuals, etc.

Cost Management or Quantity Surveying

This is to manage issues related to costs of the Project. Such issues are budgeting, value engineering, tendering, variation orders, etc.

1. Prepare a budget for the Client’s approval.
2. Update (maximum = 2 times) the budget in accordance with the latest design as necessary and reconcile with the previous budget when any significant changes are made.
3. Assist other consultants in carrying out value engineering exercises as appropriate.
4. Prepare and update cash flow forecasts.
5. Prepare draft contractors’ contracts.
6. Advise on implementation of insurance, bonds, guarantees and warranties.
7. Advise on lists of proposed tenderers.
8. Carry out pre-qualification shortlist of tenderers, if appropriate.
9. Prepare and issue invitations to tenderers.
10. Prepare un-quantified (blank) bills of quantity for tenders.
11. Prepare Provisional Sums and Prime Cost Sums as required.
12. Prepare tender scope, conditions, procedures, etc.
13. Gather and consolidate tender documents from related parties.
14. Review tender documents from others and request for remedy of discrepancies, if any.
15. Issue tender documents and further addendums to tenderers.
16. Set-up, chair, run and record bid clarifications meetings together with appropriate consultants.
17. Prepare mean price for each tender.
18. Manage tender submission and prepare comparison tables.
19. Carry out detailed checks of arithmetic calculation and inconsistency.
20. Evaluate tenders and arrange a base adjustment meeting with each tenderer.
21. Evaluate final tenders and recommend negotiation strategies.
22. Arrange negotiation meetings and conclude awarding.
23. Prepare and issue contractors’ letters of intent and contracts.
24. Evaluate and make recommendations on contractors’ requests for monthly progress payments
25. Evaluate and make recommendations on contractors’ variations (the Fee allowed for variations not over 10% of the approved budget).
26. Prepare and submit monthly cost reports showing approved budget, potential changes, contracted amounts, potential contracts, approved variations, submitted variations, potential variations, contingencies, forecasted costs, savings / overrun and cash flow projections.
27. Prepare and follow up contractors’ final accounts including penalties for late completion

**Section 4**

**Proposed Schedule (“the Program”)**

**Section 5**

**Proposed Organization Chart**

**Section 6**

**Proposed Staff Allocation**

**Section 7**

**Proposed Fee**

Project Alliance’s proposed fees for all based on all contents of this proposal is:

**Thai Baht ……………… (…………………………... Baht), before Value Added Tax**. Which is broken down as follows:

Which is broken down as follows:

|  |  |  |
| --- | --- | --- |
| **No.** | **Description of Services** | **Amount (Baht)** |
| 1 | Project and Construction Management |  |
| 2 | Cost Management |  |
|  | **Total (excl. VAT)** |  |

**Section 8**

**Proposed Conditions**

* **First Payment**

Project Alliance requires the first payment equivalent to 10% of the total fee.

* **Payment Term**

Project Alliance will issue monthly invoices for each month of service. Payment to be paid by the date of 25th of the following service month. If the payment is not received by the date of 25th, Project Alliance will charge interest at the rate of 5% (5 percent) per annum and legal advisory fee at 15% (15 percent) on the outstanding fee or debt that causes damages (if legal advisory service is applicable).

* **Unpaid Invoice**

When the Client do not pay any invoice within forty five (45) days after receiving the invoice, Project Alliance reserve right to, at its discretion, reduce financial burden by terminating the Services and the Agreement.

* **Exclusions**

The fees exclude the followings:

* All project office costs (including rent, furnishings, furniture, stationery, computers, LAN (for both cable and wireless systems), high-speed modem and communication line, telephones, printing, binding, photocopying, digital cameras, equipment used for online meeting include LED TV screens, cameras, microphones, Zoom or Microsoft Team systems, office consumables, hot and cold drinking water, utilities, all consumption charges, cleaning, security, safety equipment, etc.) Including assistant secretary - project, amount 1 person which are usually levied to contractors’ account as a condition of tender because the tender can get the items very competitively.

1. Traveling, meal and accommodation costs outside …………………. which may be required and then approved in advance by the Client for Project Alliance to travel.
2. Cost of working overtime which is usually levied to contractors’ account as a condition of the tender because the contractors are responsible for overtime planning (Project Alliance’s overtime rates per hour = Thai Baht 790 for Engineer or Architect, and Thai Baht 590 for Supervisor).
3. legal supervision which is normally responsible by contractors due to their more direct control of detailed construction

* **Working Hours**

Project Alliance’s site staffs normally work 8 hours per day from Monday to Saturday, but not on public holidays. However, half of the staffs will alternatively work on Saturday.

* **Annual Leaves**

Project Alliance’s staffs are entitled to normal annual leaves, including sick and training ones, and there is no replacement during such leaves.

* **Validity of Proposal**

This proposal is valid for 30 days after which Project Alliance reserve the right to review and adjust as appropriate.

* **Service**

If the scope of the project, a number of contractors and/or suppliers are changed, Project

Alliance reserve the right to adjust the fee.

* **Remarks**

Refer to the standard consulting contract of the Consulting Engineers Association of Thailand

**Section 9**

**Proposed Agreement**

This Agreement made the \_\_\_\_\_\_\_\_\_\_\_ between \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ of \_\_\_\_\_\_\_\_\_\_\_ whose registered office is situated at (herein also called "the Client") of one part and Mr. Noppadol Jaisue of Project Alliance Company Limited whose registered office is situated at 128/68, Unit 6O, Floor 6, Payatai Plaza, Phayathai Road, Thung Phayathai, Ratchathewi, Bangkok 10400, Thailand (herein also called "the Consultant" or “Project Alliance”) of the other part.

WHEREAS, the Client desires that certain Services should be performed by the Consultant, namely ………………………. Management …………. Cost Management or Quantity Surveying and has accepted a proposal by the Consultant for the performance of such Services.

THE CLIENT AND THE CONSULTANT AGREE AS FOLLOWS:

* The Consultant’s proposal attached to this Agreement shall be deemed to form and be read and construed as part of the Agreement.
* In consideration of the payments to be made by the Client to the Consultant under this Agreement, the Consultant hereby agrees with the Client to perform the Services in conformity with the provisions of the Agreement.
* The Client hereby agrees to pay the Consultant in consideration of the performance of the Services such amounts as may become payable under the provisions of the Agreement at the times and in the manner prescribed by the Agreement.

**IN WITNESS** WHEREOF, the parties hereto have caused this Agreement to be executed the day and year stated above in accordance with their respective laws.

AUTHORISED SIGNATURE(S) OF CLIENT AUTHORISED SIGNATURE(S) OF CONSULTANT

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

In the presence of (Witness): In the presence of (Witness):

Name:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Section 10**

**Services Approach**

**Professionalism**

Project Alliance will always maintain professionalism by being independent from contractors. This will drive the project to proceed without conflict of interest. Contractors will then improve their quality. The Client’s interests will be well protected.

**Client’s Requirements**

Requirements of the Client are very vital to success of the Project. Project Alliance will therefore always endeavor to understand, seek approvals of, communicate, record and manage to meet the requirements, especially in terms of quality, budget and time. At times, Project Alliance use their capability and experience to guide and assist clients to conclude requirements.

**Communication**

Project Alliance should be a center of communication between the Client and contractors. Project Alliance always provide the Client with a copy of the communication.

**Milestones**

Success in time management does not rely only on end completion date, but also intermediate milestones where actual progress will be checked against contracted or planned milestones. If a milestone is missed, correctives must be action immediately. Knowing and correcting delays later on will be much more difficult, if not impossible.

**Existing Conditions**

Existing conditions such as buildings, obstructions, surrounding areas, ongoing operations, etc. can have major impacts to constructability and delay of the Project. Project Alliance will pay particular attention to proper and sufficient surveys, method of construction, coordination, demolition, protection, etc.

**Long Lead Items**

Project Alliance will pay particular attention to monitoring and managing long lead items properly since the beginning. There will be separate logs and follow ups for equipment, machines, etc.

**Professional Indemnity Insurance**

Project Alliance has emphasized the importance of professional indemnity insurance to ensure that any mistake proven to be from the services of Project Alliance is protected up to Baht 30 million.

**Section 11**

**Proposed Curriculum Vitae of Key Staffs**

The following proposed staffs may be replaced by equivalent ones, subject to availability at the time of formally awarding Project Alliance.

**Section 12**

**Submission Record**

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Date** | **Page** | **Revision** |
| 1st |  | All | No revision since this is the first submission. |